War and the Food Industries (pages 13-19)

THE FINANCIAL POST

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The Nation's Business

Will New Controls Aid War Effort?

It required courage on the part of Prime Minister King and his cabinet to take the stupendous step announced in the radio broadcast of last Saturday.

No country outside Germany has ever attempted such a programme. It is a leap in the dark. It is like trying a musical symphony for the first time and without benefit of rehearsal.

The practical question of course is: will it succeed?

Here is one very practical and immediate test: the present plight of the lumber industry in eastern Canada.

This industry has been under price control since last April. Control measures were "selective" not "overall." That is, the timber controller put, first, a ceiling over all retail prices, then gradually extended this ceiling to wholesale and manufacturers prices and into different parts of the country. The latest order was dated only a few weeks ago and extended price control to wholesale distribution of hardwood flooring.

Today, the industry is planning its 1941-42 cut of lumber. Woodsmen are scarce and almost unobtainable. The price of everything the woods operator must buy has risen. There is little incentive to make a big cut unless a higher price for 1942 lumber is assured. If no such assurance is forthcoming the winter's cut may slip possibly to half what it was last year.

Yet Canada's war effort requires an all-out lumber cut this winter. If there is not maximum output we may not only lose part of a valuable market in the United States but actually have to import lumber from the U. S. to meet war and domestic requirements.

Under a strict interpretation of the new price "ceiling" there is no prospect of any price increase for lumber next year. Yet human nature being what it is there is little question that production will suffer unless there is some incentive—profit incentive if you will—spurring individual operators to take chances, locate workers and risk their capital in a record-breaking timber cut.

In essence, that is the sort of problem which faces those who administer the new controls.

Obviously, if the worst came to the worst, the government could take over the lumber business in eastern Canada, conscript workers for winter operations, regiment the industry into making a record cut. When that sort of thing happens we will have lost the war—no matter who beats Hitler.

One other problem that the authorities will have to face almost immediately is that of shortages. Non-war consumer goods, if we are to go all out for war, are going to become increasingly scarce. Price fixing will not ensure equitable distribution. Some form of rationing seems inevitable and rationing, even in a law abiding country like Great Britain, has brought with it an outbreak of bootlegging and the development of so-called "black" markets.

Hand in hand with the new price and wage ceiling policy must be a programme of rigid restriction of non-war goods. Much grief can be avoided here if prompt measures are undertaken to absorb through new special war taxes any further gain in wage and profit levels which otherwise would almost certainly be used for boosting the demand for luxuries and non-essentials and thus compete directly with the country's war effort.

The new control policies can only succeed if they find a way to bring out the utmost co-operation and support from every group and industry. If the dead hand of rising production costs and a fixed price ceiling removes incentive and causes the wheels of industry to move more slowly and less effectively if orderly marketing is to be replaced by an orgy of bootlegging, then the attempt to head off inflation may have been bought at a very dear price.

* * *

TOO MUCH PRE-DUNKIRK COMPLACENCY

General Gort's amazingly frank report on the Battle of Flanders makes it abundantly clear that complacency lost that first test of arms with Germany. The British and the French were woefully lacking in vital equipment. Gort realized this lack, reported it in routine fashion but apparently the authorities were satisfied to order it for delivery in time for their offensive scheduled to take place at the convenience of the Allies.

But Hitler did not wait for this Allied schedule and he will not wait next time.

In Britain war workers are being told that it is near twelve, meaning that after Russia, eleventh of Hitler's list of conquests, Britain's turn will be next.

In the Board Room of the Office of Production Management—OPM—at Washington is a huge banner with the words—"Time is short."

British and American opinion have come a long way since the battle of Flanders. They realize now that Hitler is not going to wait for them to leisurely marshall their strength. But there still remains in Britain, the United States and Canada too much of the old pre-Dunkirk complacency.

We are still talking and planning a grand offensive for 1943. We are not doing enough to prevent defeat in 1942. All of us want to see Hitler beaten but too few of us are prepared to sacrifice ruthlessly the soft living of the home front for the hardship of the immediate and all out war effort, that is the sole means of bringing Hitler to his knees.

* * *

WHY ZELLER QUIT

Walter P. Zeller, dynamic Montreal merchandizer, has resigned as executive assistant to Hon. J. T. Thorson. In the published correspondence it is made clear that there is no real difference of opinion between these two men. What caused Mr. Zeller to quit on the threshhold of one of the most important jobs in the war effort was simply that:

> "Training and experience have accustomed me to a larger measure of directness of action than it seems possible for me to exercise in my present post."

Last February, Mr. Zeller made a brilliant success as chairman of the drive which put the War Savings Campaign "over the top." There is every reason to believe he would have made an equal success of Canada's tourist trade effort which was the job he was asked to undertake under Mr. Thorson.

But after three months of patient, painstaking preparation, Mr. Zeller has decided that it is too hard to get action around Mr. Thorson's department; that it takes too long to get things done. In short, that the ingredients for efficient, effective work which he knows are essential in any merchandising job—whether it be for government or in private business—are lacking around the spacious offices of the National War Services department in the new Supreme Court Building.

The resignation is a black eye for Mr. Thorson—not for Mr. Zeller. Taken alongside the shilly-shallying that has been going on for months now in regard to a Canadian public relations office in the U. S. it suggests that the new Minister of National War Services lacks ability to get results when decision and forthright action are required.

It is too much to hope that Prime Minister King will pay any attention to Mr. Zeller's resignation. But other businessmen who are eager to speed the war effort and who have chafed under similar restraints and handicaps may take courage from Mr. Zeller's forthright step. Similar action wherever there is government pussyfooting would do much to ensure that Canada's "all out" war effort is not hampered by ministers who are incapable of getting "directness of action" for their departmental aides.

Washington Knows Time is Short As It Speeds Industrial Revolution

By HORACE T. HUNTER
President, The MacLean Publishing Co.

WASHINGTON.—Centre of a revolution which will close down whole factories, and change the life and labor of the great majority of people in the United States, Washington today is the site of one of the greatest battles now in progress in this war-scarred world.

It is "The Battle for United States public opinion." On its outcome hinge "The Battle of Production" and the fate not only of Great Britain, overrun Europe and Asia, but of this entire continent. If Washington wins these battles we have a chance to remain free. If it loses, we are doomed.

This is the startling and ominous picture that has confronted me since my visit to the United States capital.

From the most reliable sources in Washington, from men of sober and considered judgment, comes the same story: it is a race against time.

In the Board Room of the Office of Production Management hangs a huge 40-foot-long banner. It shouts: "TIME IS SHORT." Its message is the theme of a capital which is far ahead of the nation in its realizations and its thinking.

Make no mistake about it: Washington realizes the urgency of the situation. But the people of the United States do not.

There is a very general conclusion among keymen and the dollar-a-year men who are in charge of affairs in Washington that production must be speeded up, not next year, but next week, next month at the latest.

There is the choice of a five or ten-year war on the present basis of production, or of shortening it down possibly to one or two years if all the interests involved—capital, labor, management and the general public—will go on an all-out war effort basis.

Hardships Inevitable

It will mean discomforts and lack of luxuries and conveniences to which people have been accustomed. But, on the other hand, the choice is between immediate comforts and slavery in the future.

The all out effort means a revolution in the American way of life. People do not realize it yet, but the forces that are at work to limit the production of consumer goods are going to change the way of life of the great majority of the American people.

Much the same conditions prevail in Canada, but the change here has come more gradually and our industrial centres are not as large in proportion to the general population.

In the United States, as in Canada, few people realize the shortage of raw materials that pertains. For instance monthly production of copper amounts to 138,000 tons. Priority has been issued for 144,000. The total demand for October would take 259,000 tons. In varying degrees, this situation also applies to aluminum, silk, rubber, iron and steel. One key man said he believed the shortage in raw materials would be greater than any delay in fabrication.

H. T. HUNTER

The men in charge of priorities are absolutely determined to give war industries the preference on all

(Continued on page 2, col. 4)

If In Doubt Get License Anyway

From Our Own Correspondent

OTTAWA.—The advice of the license authorities, Wartime Prices and Trade Board, is: if in doubt apply for a license anyway.

The license costs nothing and it is better to have one than be left out.

The hesitancy arises because some manufacturers (carpets for example) find they are liable for license under commodity classification (yarn and cloth) yet the commodity they manufacture is not among the classes of business for which a license is required.

In such cases the manufacturer under the heading "Class of business" is being advised to register as a "re-manufacturer."

Any firm which operates a cafeteria for employees should apply for a license under the grouping "meals or lunches sold for consumption on the premises."

How the Wage, Price Ceiling System is to be Worked Out

The Financial Post Gets Answers to Many of the Questions Being Asked by Business About Forthcoming Ottawa Rulings

Interpretation of the momentous wage-price fixing announcement of Oct. 18 overshadows all business discussion at the present time.

Publication of the price-fixing order is not expected until early next week.

Below, The Financial Post prints an authoritative estimate of what this order is likely to include and how the new powers are likely to be interpreted by the Wartime Prices and Trade Board which is called on to administer it.

The statement, not of course official, was prepared by Kenneth R. Wilson, staff writer at Ottawa.

The wage order is discussed in a separate article.

Last week The Financial Post was able to reveal the general terms of the wage-price ceiling order four days prior to the Prime Minister's announcement.

By KENNETH R. WILSON
Staff Writer, The Financial Post

OTTAWA.—First essential feature of the price fixing order expected to be released early next week is that it will differentiate clearly between goods and services.

The order will declare a price ceiling on all goods and commodities, except those which will be specifically exempted. These exemptions for the present will be very few indeed. Most important exemptions will be prices of stocks and bonds, real property, perishable fresh fruits when not processed, art work, oil paintings, etc.

As to services the approach will be reversed.

Only those services specified in the order will come under the price ceiling. The remainder will not be affected for the present.

Prime Minister King mentioned most of these services specifically in his week-end statement: rentals (commercial and residential), rates for electricity, gas, steam heat and water, telegraph, telephone and wireless services, the transportation of goods and persons, the provision of dock, harbor and pier facilities, warehousing and storage, undertaking and embalming, laundering and cleaning, tailoring and dressmaking, hairdressing and related services, plumbing and heating, painting and decorating, repairing of all kinds, the supplying of meals, refreshments and beverages.

Professional services (medical, legal, etc.) will be exempt. So will interest and advertising rates.

The board has power to make exemptions or additions to its original order as circumstances warrant.

Forward contracts will be taken into consideration in adjudicating price ceilings.

For example: the large merchandiser who has already ordered shirtings from England for spring delivery and sale. The material will probably not be delivered until the year-end. It will cost more to lay down in Canada than similar material now on hand. The shirts will not be ready until some months later. Manufacturing costs will almost certainly be higher than they were when shirts which have been on sale in the base period were made. This would be a typical contract made in expectation of higher retail sale prices next spring.

A formula to cover this and similar problems is expected, possibly through a price adjustment geared to costs, where serious hardship is inevitable because of a time lag in merchandising or manufacturing or where costs are pushed up by higher import prices or other factors over which there is no control.

In short, the overall price ceiling announced by Prime Minister King may be considered as a "stop" price rather than a rigid, arbitrary ceiling which is to be maintained for the duration.

Permission must be obtained from the board or its administrators, because after Nov. 17 it will be a penal offense to charge anything more than the "ceiling" price. But there is every expectation of present and future adjustments, both group and individual, outside the Sept. 15-Oct. 11 ceiling, in order to reach what may be considered fair maximum prices.

For instance: relief has already been assured the tea distributor who because of ample inventory held off an 8-cent per pound increase which had already been put into effect by his competitors. The fact that the maximum price at which his product sold during the four-week base period is out of line with the prevailing price will not penalize him. He will not be required to maintain his price permanently at an 8-cent spread below his competition.

The board will recognize the principle that it requires a fair price to keep production wheels turning.

There is definitely no intention of using the price ceiling device to "squeeze" marginal producers or distributors of non-essential goods.

On import policy generally, the board is not expected to recommend subsidizing importation of fruits, semi-finished parts, non-standardized goods, etc., in order to prevent higher prices in countries of origin from influencing the Canadian price level.

In big, standard items, such as cotton, coal, etc., import control boards will be set up (where none now exists) as the need arises.

If U. S. or U. K. coal prices, for example, soar out of line with the Canadian ceiling, it is expected that the government will be asked to pay the difference out of public funds. The fact that cotton prices have dropped rapidly below the Canadian base price removes for the time being such a prospect in this commodity.

Eventually some restriction on non-essential industry may be exercised in this way since the government would probably be loathe to subsidize imports at public cost where they were competitive with, and harmful to, the war effort.

It is acknowledged that some increase in Canadian costs of production will be inevitable because of inability to curtail or subsidize

(Continued on page 2, col. 4)

In Next Issue

Colonel George A. Drew is photographed at the door of 10 Downing Street just after his interview with Prime Minister Churchill. Just back from an extended visit to the United Kingdom, Colonel Drew will have a special article in next week's issue of The Financial Post

The New Wages Policy

Abandon Former Method of Adjustment

By KENNETH R. WILSON
Staff Writer, The Financial Post

OTTAWA.—Five regional boards and a central National War Labor Board will administer the new wage control policy announced by Prime Minister King on October 18.

The regional boards will correspond with the five economic areas—Maritimes, Quebec, Ontario, Prairie Provinces and British Columbia.

They will be allocated wide regulatory powers by the central board. The central board will be an eight man unit under chairmanship of Hon. Norman P. Lambert.

The new wage control policy will apply to every business, financial, insurance, retail, or other firm in Canada employing more than 50 persons. Eventually this may be extended to firms with 20 or even 10 employees.

Earlier this week it had been decided to extend wage control to all firms with 20 or more employees. Latest reports indicate that this has now been raised to 50, presumably because of the difficulty of administration if thousands of smaller business units are included initially.

The one exception is the building trades which include all firms employing 10 or more persons.

Why Postponed

At mid-week important changes were still being made in "formula" for applying the cost-of-living bonus to industry under the new wage freezing and bonus regulations. This is said to be the chief reason why the wage order originally scheduled for release Tuesday night has now been postponed until Friday.

The general principle underlying original drafts of the bonus regulations are these:

1. That all industry shall start off on an even keel so far as basic rates and bonus equivalents are concerned, up to and including October, 1941.
2. After Nov. 15 all wage rates in war and non-war industry are pegged and further changes in rates may only be made with the consent of regional wage boards operating under supervision of the central authority.
3. In future cost-of-living bonus payments are mandatory on all industry but changes in the rate of bonus will be standardized as to date of payment and amount. Any change in rate will be determined by the government and announced each quarter.

Old Rule Discarded

The old rule whereby changes were authorized only when the cost of living has increased by 5% is definitely discarded.

Just how the government proposes to bring all industry to an even keel so far as payment of a cost-of-living bonus at the present time, is still a matter of conjecture.

As stated by Prime Minister King "Bonuses now being paid will be required to be adjusted to the cost of living index as of the effective date."

What has been contemplated is that industry would be defined under three headings: 1. Those which have paid a wage bonus in line with P.C. 7440. 2. Those which have paid no bonus but which have increased basic wage rates. 3. Those which have neither paid a bonus nor increased wage rates.

Those in the first group (it was planned) would be merely required to adjust their wage bonus as at October, 1941, to conform with the new regular quarterly payments.

Must Make Adjustment

Those who had made increases in wage rates but were not paying a bonus would be required to adjust these wage rates by means of a bonus payment which would span the gap between October, 1941, and the date at which the last wage increase had been made.

Those who had neither increased wages nor paid a bonus would be required to pay a bonus immediately which would span the gap between September, 1939, and October, 1941.

In this way it was hoped to place all industry on an even basis so that henceforth employers, by and large, would be making uniform adjustments on the basis of the quar-

(Continued on page 2, col 1)

The War And Business . . A Weekly Round-up

Help Wanted

One certain result of the new overall ceiling on prices and wages is a sharp increase in government employment. Preliminary estimates place total personnel requirements to make the new policy workable at something around 5,000. Most of the people wanted will need to possess a high degree of technical skill, a great many of them must be accountants.

Admittedly, it is going to be difficult to raise such a corp of workers at this time when the reserve of skilled man power is approaching the vanishing point. Undoubtedly the authorities hope that the new employees will come out of those industries turning out non-war goods. In this field and in this field only, indications point to sharp curtailment ahead. The time has come, Prime Minister told his radio audience last Saturday night, when Canadians must make more guns and less butter.

* * *

Conscription Feeling Grows

Feeling for conscription is reported to be growing fast in western Canada and the newer mining districts. Native-born enlistments in both areas have been exceptionally heavy and now relatives of these recruits are growing more critical of men staying at home.

In a great many cases, it is claimed, former jobs of soldiers, airmen and sailors have been filled with foreign born, in others by native Canadians, some of whom are alleged to have said they will stay at home with good wages until they are ordered to join the forces.

* * *

Gort Report Invasion Answer?

Publication of the Gort report on the Battle of Flanders is interpreted in many quarters as an official answer to those critics who would have the British invade the European continent now. Publication of such a report with its damaging evidence of lack of co-operation, lack of equipment, and lack of staff work, has seldom if ever been permitted by a country while the war concerned was still going on. Whether its publication will be sufficient to still growing criticism of present British offensive strategy, remains to be seen.

U. S. Army Not Ready

The new United States army, with a year's training behind it, is conceded to be better than the army the Americans sent to France in the first Great War. It is believed, however, that another six months' training at least will be required before these soldiers have been turned into a force able to measure up to the 1941 type of warfare.

One of the chief weaknesses, it is reported frankly, has been the quality of the officer personnel. A large percentage of this is being weeded out and the gap being filled by newly trained, younger and more able men.

* * *

British Not Invited

According to Newsweek, the real reason for the non-appearance of British troops along the southern Russian front is that they have not been invited. Apparently Stalin does not want the British mixing with the Red Army until it is absolutely necessary and up to the present he has been convinced that he can protect the Caucasus oil fields with his own forces.

This does not bar the use of British and American arms, however, and these are reported now arriving at the southern front in some volume, but so far, however, not sufficient to stem the German advance. The bulk of the oil fields, however, are behind high mountains, passes through which are already under snow.

* * *

U. S. War Output

Plans are well under way for devoting at least one half of the huge industrial output of the United States to war requirements, intimates Whaley Eaton Service of Washington. Recently the British and American General Staffs have drawn up a new programme of Victory requirements.

Details are not available, but Whaley Eaton understands that this calls for five times present U. S. production in certain lines, probably tanks and bombers. While the huge new programme, made necessary by Hitler's conquests of further European industrial production and labor, will not be completed until September, 1943, it is expected that it will be sufficiently advanced "to permit aggressive military action on a vast scale" by the spring of 1943. Present U.S. war production of finished equipment is conceded to be a good deal less than that of Canada and Britain combined.

* * *

Russian Resistance

Since the return of the special mission to Russia under W. Averell Harriman, official Washington is more confident of continued Russian resistance. Apparently Stalin has convinced both Great Britain and the United States that there is nothing to fear regarding a premature peace even if the Germans do succeed in smashing the present Russian line through Leningrad and Moscow.

Russian officials maintain that they have sufficient arms of their own on hand to continue the fight into winter, by which time it is hoped that material help from Britain and the United States will be arriving in quantity and will permit the establishment of a new line back along the Urals from which to fight all next year.

* * *

Nearing Jap Break

Washington observers see war with Japan coming very much closer this week, with Hitler prepared to take almost any step to force an explosion, the Japs perfectly willing to co-operate up to the point of an actual break. Strategy, of course, is to hold the main U. S. fleet in Pacific waters, away from the battle of the Atlantic. Also held, is a substantial military force of British and Dominion troops at Singapore and along the remainder of the route to Australia.

Internal pressure in Japan as a result of the Anglo-American-Dutch boycott is reported to be steadily mounting and collapse or eruption, says Washington, may be expected. In the event of the latter American observers generally expect little trouble with the Japanese Army, and are only slightly less confident regarding the Navy, although numerically the latter is stronger than that of the U. S. One potent factor holding the Japs back is the fact that their Island Empire, unlike Germany, is especially vulnerable to blockade.

U. S. Food Exports to U. K.

Worried by the possible effect on surplus food producing Dominions, British experts at Washington have complained about misleading official U.S. estimates of food shipments to Great Britain. Some of these reports have claimed that 100% of British 1942 food import requirements will be met by the United States. Actually, say the British, the figure will be around 25%. Whaley Eaton Service of Washington, which places total 1942 shipments at $1 billion worth agrees with the British estimate.

* * *

Eat More Meat

Despite steadily higher prices, consumption of meats, butter and similar goods is increasing in Canada. In meat, for instance, per capita consumption in 1940 was 122.8 pounds, up four pounds over 1939. This gain, of course, is attributed entirely to the huge increase in employment due to war work.

Supplies have practically nothing to do with the change. Actually in 1940 foods and especially meats and butter were slightly less plentiful than in the previous year. Now output of both is increasing again but so, it is reported, is both domestic consumption and overseas exports.

* * *

Milestones

Monthly output of stoves and vacuum cleaners limited to 75% of the corresponding month of last year. . . Crossley W. Gale of Burlington Steel Co. loaned to Canadian government for liaison post at Washington in connection with steel . . . Cut ordinary consumption of glycerine to 70% of 1940 in order to increase supply for explosives . . . E. A. Horton, former Ontario Deputy Minister of Municipal Affairs, appointed Textiles Controller. . . . National Steel Car Corp. of Hamilton produces its five millionth shell. . . . Total of contracts awarded and commitments made by the Department of Munitions and Supply for Canada, United Kingdom and other accounts since the beginning of the war is now $2.6 billions. . . . War orders awarded by the Department of Munitions and Supply for the week ended October 14 numbered 3,334 and totalled $4.8 millions, previous week total $38.2 millions.

Life Insurance Plans To Be Awarded Prizes

Higher cost of living, low yields on sound investments and the entry of the Dominion into the succession duty field, have all added to the problems facing the individual who wants to provide financial security first for his dependents, and then for himself.

Life insurance provides a quick and sure way of building an estate and is open to individuals in all income brackets.

The Financial Post is offering prizes for suggestions as to what life insurance men and women in several different broad income groups should carry.

Four problems are open to contestants, each dealing with a different income group. Contestants may fill in such details regarding the individual they have in mind as they think necessary. Basis of judging will be the fitness of the programmes outlined, plus the general interest and value of the recommendations for all persons coming within the broad general group discussed.

The first prize for the best article on any one of the four problems is $100. For the best article on each of the other three problems, a prize of $50 will be awarded. Details of the contest which closes Nov. 22 and rules to be observed will be found in an announcement on page 10.

at EATON'S

From "Life with Father"—Eaton Auditorium, to Oct. 28th

You Can See For Yourself, Father On Our D.A. Statement from EATON'S

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TORONTO CANADA

Work Hours Staggered Next Month

Ottawa First to Adopt Plan to Relieve Urban Traffic Congestion

From Our Own Correspondent

MONTREAL.—Staggered hours of work in office, store and industry will be applied to Ottawa and Montreal the first week in November.

This step, taken as a war measure, has been made necessary by the tremendous load placed on the transit systems.

The urban transportation situation in Toronto is under study now and it is expected similar action will be taken there shortly.

Every other city in Canada has been requested to make a study of its urban transportation with object of instituting staggered hours where same appear to be of advantage.

Take It Slowly

The plan drawn up for Ottawa and Montreal does not involve a wholesale disruption of established hours of work.

The Federal Transit Controller, W. J. Lynch, with the co-operation of local transit officials and municipal authorities, has gone into the matter thoroughly. It has been decided that staggered hours can only be applied piecemeal in order to avoid serious disruption to work in offices, business and plant production.

At first the staggered hours will be applied only to certain office buildings, plants, or sections of business. As adjustments are made and the people become accustomed to the new hours of work, then the plan will be extended to other sections.

Need Individual Plans

It has been found that the problem of urban transportation varies in each city. Consequently individual plans have to be worked out to take care of local conditions.

In certain areas of the Dominion, notably where there is a concentration of war industries, military camps, air force training schools, or other efforts directly or indirectly connected with the war, the matter of providing urban transportation has become a major issue.

The problem facing the Transit Controller is fourfold: transport of workers, particularly those employed in war industries, to and from their duties, with the least possible delay; conserve power; avoid necessity of purchasing new equipment, thereby conserving foreign exchange and to relieve traffic congestion.

Staggered Hours a Solution

The situation can be relieved to a remarkable extent by the adoption of staggered hours in those areas where the mass movement of workers has or is about to overtax the available facilities.

A Custom Job

In every case the plan of staggered hours has to be custom tailored to meet with local conditions.

With the experience gained in Ottawa, Montreal and Toronto, it is hoped that it will be possible to speed up arrangements for other urban centres where transit system facilities are overtaxed by conditions arising out of the war.

The New Wage Policy

(Continued from page 1)

terly rise in living costs as determined by government order.

Criticism levelled at this proposal is that it would require an immediate addition of perhaps $100 to $200 millions in the nation's wage bill at a time when all prices are frozen. The government would be jeopardizing the success of its plan by forcing industry to increase its costs of production with no hope of recouping such increased costs by means of adjustment in selling price. This it is argued would bear very heavily on thousands of small industries which have not now been paying a wage bonus and where wages have been adjusted but slightly if at all since the outbreak of war.

As to the application of the bonus on various types of workers the government's policy is apparently this: It expects the bonus to be paid to all industrial wage-earners other than those in senior supervisory or executive positions. There will probably be no attempt to define this more closely because definitions such as "foreman," "superintendent" vary greatly according to size of plant.

It is not known whether the government will define the upper limit for bonus payment to white-collar workers. In its own civil service the government limits bonus payments to those receiving $2,100 a year or less. It has been suggested that the limit adopted by the Unemployment Insurance Commission ($2,000 and in all probability to be raised shortly to $2,400) might be placed as the upper limit for mandatory bonus payment in white-collar jobs.

Exempt from the bonus order, as well as higher paid salaried workers, executives, etc., are provincial and municipal employees, domestic servants and farm laborers.

Promotions and increased responsibilities are legitimate reasons for advancing a worker or employee to a higher wage or salary bracket.

Some Prices Under New Ceiling

Gives Farmers Best Rate Since War

By STAFF WRITER

OTTAWA.—Overall price control ceiling based on last month's prices will give Canadian agriculture the most favorable base it has enjoyed since the first month of the war, and in a few lines for some years prior to that. Coarse grains, hogs, cattle, butter, cheese and wool are all in this category, that is, higher in the last month, base for the new ceiling, than for several years previous. It is generally admitted, however, that immediately prior to the war and up to recent months agricultural prices were unduly low.

The Financial Post has compiled in the following table the highest price recorded in any day for important wholesale commodities during the base period, September 15 to October 11.

This top price, which presumably becomes the "ceiling" for each of these commodities, is shown alongside the monthly average prices for September, 1940, and September, 1939 and the average for the year 1938.

The commodities chosen are largely those which appear in the regular monthly price report of the D.B.S.

A subsequent table shows the percentage change in general weekly averages analyzed according to key groupings compiled by the Dominion Bureau of Statistics. In the general wholesale price index there has been an advance of nearly 30%, with the largest individual advance by a component one of 44.8% in textile and textile products and the least that in non-ferrous metals at 11.9%. In Canadian farm prices the ceiling has been established at an advance of 27.2% (with provision made, however, for supplementary acreage payments and transport subsidies to help wheat farmers). The total index of industrial materials of October 10, 1941, showed an advance of 40.4% over August, 1939.

Comparative figures follow:

(1926=100)

Comm: Prices:	Aug. 1939	†Sept.-Oct. 1941	% Change
Vegetable prod. ...	58.7	80.4	+36.9
Animals & prod. ...	69.7	100.6	+44.6
Textiles & prod. ..	66.5	96.4	+44.8
Wood products	78.4	98.3	+25.4
Iron & prod.	97.1	111.6	+14.9
Non-F. met. prod. .	69.9	78.2	+11.9
Non-M. min. prod.	84.1	98.9	+17.6
Chemicals, etc. ...	77.6	102.0	+31.4
Gen. w'sale index .	72.3	93.7	+29.6
Can. farm. prod. ..	58.4	74.3	+27.2
Ind. mat. prices:	Aug., 1939	Oct. 10 1941	% Change
Stable	88.4	110.6	+25.1
Sensitive	52.8	80.9	+53.2
Manufacturing	52.9	81.0	+53.1
Food	52.6	80.8	+53.6
Total index	65.3	91.7	+40.4

†High level of wholesale index for weeks ending Sept. 12, Sept. 19, Sept. 26, Oct. 3 and Oct. 10.

The Price Ceiling for Some Commodities

		Price† Ceiling	1940 Sept.,	1939 Sept.,	1938 Av.,
Oats, No. 2 C. W., Fort William and Port Arthur basis	bus.	.51	.30	.37	.41
Wheat, No. 1, Man. North., Fort William and Port Arthur basis	bus.	.77	.72	.74	1.02
Flour, First Patent 2-98's Jute, Toronto	bbl.	5.05	5.53	5.56	6.49
Sugar, granulated, Montreal	cwt.	6.89	5.89	5.08	4.89
Rubber, Ceylon, ribbed, smoked sheets, New York	lb.	.28	.24	.24	.15
Cattle, steers, good, over 1,050 lb., Toronto	cwt.	9.06	8.26	7.15	6.26
Hogs, bacon, Toronto	cwt.	14.83	9.16	8.60	9.54
Beef hides, packer, packer hides, native steer, Toronto	lb.	.15	.12	.15	.11
Leather, packer, crops I & II, distributing points	lb.	*	.44	.40	.37
Box Sides B, Oshawa	ft.	*	.24	.27	.21
Butter, creamery, finest prints, Montreal	lb.	.36	.24	.28	.28
Cheese, Canadian, old, large, Montreal	lb.	.35	.23	.22	.18
Eggs, grade A, large, Montreal	doz.	.47	.37	.37	.33
Cotton, raw, 1-1 1/16" Hamilton	lb.	.23	.13	.12	.11
Cotton yarns, 10's, white, single hosiery cops, mill	lb.	*	.20	.26	.25
Silk, raw, special grand XX 85 p.c., 13-15 deniers, N.Y.	lb.	4.36	3.21	3.38	1.82
Wool, eastern bright, ¼ blood, domestic, Toronto	lb.	.31	.30	.21	.17
Wool, western range, semi-bright, ½ blood, domestic, Toronto	lb.	.28	.24	.19	.16
Pulp, groundwood No. 1, f.o.b., mill	ton	*	35.11	26.47	21.76
Pig iron, malleable mill	gr. ton	*	23.50	23.50	22.00
Steel, merch. bars, mild, mill	cwt.	2.75	2.55	2.55	2.62
Copper, electrolytic, domestic, Montreal	cwt.	11.50	11.50	11.27	10.55
Lead, domestic, Montreal	cwt.	5.00	5.00	4.60	4.17
Tin ingots, Straits, Toronto	lb.	.62	.60	.67	.46
Zinc, domestic, Toronto	cwt.	5.18	5.15	4.30	3.90
Gasoline, Toronto	gal.	*	.16	.14	.16
Barley, No. 1 feed	bu.	.62	.34	.45	‡.34
Rye, 2 C. W.	bu.	.64	.43	.56	‡.40
Flaxseed, 1 C. W.	bu.	161	1.24	1.66	‡1.35
Rolled oats (central Canada)	80 lb.	3.35	2.45	2.51	‡2.45
Bran, ex track, Montreal 1	tons	28.50	18.29	26.57	‡24.30
Shorts, ex track, Montreal	tons	29.50	20.29	27.93	‡26.20

†Represents highest daily price recorded in base period Sept. 15-Oct. 11. *No daily record obtainable. ‡Sept., 1938.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Port Arthur, Ont.	Oct.	Royal Bank	3¼% 3½%	1942-51 1942-56	856,883 11,723	102.21	3.10%
Town of Cornwall, Ont.	Oct.	W. C. Pitfield & Co. (Privately)	3%	1942-51	48,000	.....	.....
Hamilton, Ont. (Treasury bills)	Oct.	Royal Securities Corp.	....	90-days	125,000	.....	1%
Dominion—							
Canada Notes	Oct.	Bank of Canada and Chartered Banks	1½%	1944	200,000,000	99.27	1.75%
Canada Treasury Bills	Oct.	....	....	Jan. 16, '42	48,000,000	99.865	.542%
Provincial—							
Ontario	Oct.	Wood, Gundy & Co., and Syndicate	2 & 3%	1951	10,500,000	.....	.....

Washington Knows Time is Short As It Speeds Industrial Revolution

(Continued from page 1)

goods. This means that many consumer lines are going to be shut down very abruptly. Whole factories will be forced to close. An adjustment will have to be made whereby men so thrown out of work get jobs in munitions factories.

The general opinion among the men in Washington was that the entrance of the United States into the war would solve many of their problems. It is not likely that the United States will take the initiative in declaring war, but if forced into it through some incident, the general view is that it would help materially in getting the full co-operation of labor, management and the general public.

If the United States declared war, these men saw the following benefits:

1. Proper appreciation of the urgency. To many people, the Atlantic is a Maginot Line—and France showed us the terrible effect of that mentality. If Great Britain falls, Germany has six to eight times the shipbuilding capacity of the United States.

2. Internal solidarity. Labor unions in Britain today are united under the Churchill government. War would unite them in the U.S., where the standard of living is 75% higher than that in Britain. The United States working man would fight to maintain his high standard of living.

3. Female labor would be utilized. British labor has put the 48-hour week in cold storage and works 60 to 70 hours a week. It has given up the right to strike and welcomed the help of women workers.

4. Full use of industrial labor and equipment. Even in well-organized U.S. plants it is estimated that machinery — including machine tools, which have been in such great demand—are only being used 35 to 50% of the time.

Relief is Provided

Already priorities have led to the creation of "distressed areas"—districts where a shortage of raw materials has thrown men out of work. So great is the demand for steel that only 50% of the enormous U.S. output will be available for commercial purposes.

Where distressed areas arise, an affected company is certified by the Labor Department. This enables the Army and Navy to pay that company 15% more than the lowest bid on work on which it may tender. Allocation of new factories may be made in the case of districts where a large number of men thrown out of work are available for other tasks. In some cases unemployed are moved to other districts.

150 fixed offices will be opened up, 25 are now in operation. Clinics are held here at which are present those who have contracts to let and those who think they can do some part of work.

Bits and pieces programme is well under way and a travelling exhibit is making its way to important industrial centres showing samples of goods for which subcontracts will be let.

Only 10% of goods now made on subcontract, although the airplane industry has a record of 39%. In Great Britain 75% of work on airplanes is subcontract work.

Priorities have been invoked in Washington itself. There are priorities on hotel space and conventions have been curtailed in order to provide accommodation for men who came to the capital on important business.

There are literally thousands of people now in the U.S. army and navy who can issue priorities.

Auto Output May go to Zero

There will be a definite restriction in the use of copper in all building and plumbing. Since there are some 40 pounds of copper in an automobile radiator, this industry will be affected, too.

Though the automotive companies have been told that they cannot make more than 50% of last year's production they have not been guaranteed priority raw materials for 50% production or for any specific amount. This same situation is true of almost all luxury lines.

The United States has taken on an enormous job. It is supplying England, Russia, China, the Dutch East Indies with weapons. It is building bases on the Atlantic. It is keeping the South American economy intact. It has agreed to supply the whole world, with the exception of the Axis countries, with goods. The result is, as one man stated, that there are only three things of which there is sufficient quantity — lumber, water and air.

There is nothing to do but shrink the demand of the consumer. People will have more money to spend than they have ever had before, but they will not be able to find goods to purchcase.

No industrialist will be able to help himself by hoarding. Accustomed to seeing three sides in every question—"your side, my side and the truth" — Washington is clamping down on every case of accumulated supplies. Even army and navy hoards are not sacrosanct and a limit will be put on reserves they can build up or maintain.

Price Control Inevitable

Faced with an upward spiral in prices and wages, Washington is sure that price control of some sort must come. Initially, most attention is likely to be paid to raw materials, with retail prices facing the prospect of being fixed later. Some officials doubt the wisdom or advisability of freezing prices at the moment, because such a step would cause many inequalities and difficulties.

Wool has advanced 80% whereas suits have only increased in price 11%. There are many similar examples which cause hesitation on freezing of all prices.

With an eye to the future, some keymen are considering an increase in the payment collected from workmen for unemployment and old age benefits. Payment of bonuses in government bonds negotiable after the emergency also is being studied. Others are anxious to make an agreement with the unions whereby a savings certificate deduction would be made by the check-off system from wages.

Close attention is being paid to substitutes. Silver is being introduced in place of copper in automobiles. Wider use of steel in munitions-making is being experimented with. Concrete ships are back in the form of barges.

Steel ships that took 18 months to build are now being done in a year, and there is a possibility that within a reasonable period they will be built in six months. The production of tanks is gaining rapidly, but still is far below what is expected.

In short, America at Washington is racing time. America at home is spending too much time on the golf courses.

They can only go forward or back. There is no middle course. There is no second place in war. Every day's delay means one more day in which the free enterprise system is in danger.

Washington bitterly admits that there can be no priority on time.

How the Wage, Price Plan is to be Worked

(Continued from page 1)

many types of imported material, parts, etc. Some allowance will doubtless be made for this increase as previously indicated.

On items where there is a substantial tariff it is conceivable that some adjustment might be made to permit sale at a lower price to the Canadian consumer.

By the same token, sumptuary taxes on many Canadian staples—sugar, tea, coffee and the sales tax on many products, can not only be considered definitely pegged "for the duration," but there is a possibility that they may eventually be reduced in order to assist the government in its price fixing policy.

Loss of revenue to the treasury would doubtless be made by direct taxation—higher income or defense taxes, etc.

As to administration, the board expects within a few days of the order becoming effective (November 17), to have established regional offices in at least 50 and possibly 100 communities. The aim will be to have a regional office in every community of 10,000 population or over.

Various attempts have been made to place the entire machinery in the hands of a competent general manager. So far, all those who have been approached have asked to be excused for one reason or another. This appointment may still be made if a suitable person can be found.

In any event, administrators will be named for every key service or community grouping under Board control. Organization had previously been set up in respect of rentals, coal, sugar, hides, animal and vegetable oils, wool. The new administrators were named at the week end for dairy products and textile and clothing. One key post not yet filled is a food administrator. One or more administrators at large may be appointed to deal with special situations.

The board is expected, wherever possible, to use existing control machinery in other departments of government notably controllers of steel, timber, metals, motor vehicles, machine tools, ship repairs, power, oil, etc., chemicals, civilian construction, supplies, etc.

Provision now exists for each of these controllers to attend meetings of the Price Board when prices in their individual department are under discussion.

Existing price control machinery in each of these departments will probably be used so long as the board concurs in respect of general policy.

The same is true of milk. Milk prices are now fixed by the ceiling, but local problems will continue to be handled by provincial boards under general supervision of W.P.T.B.

One area where a complete price-fixing plan has already been worked out with considerable success is in respect of timber. A price-fixing order on retail prices went into effect May 26, retroactive to April 1 of this year.

Subsequently the ceiling has been applied to individual areas and also to manufacturers and wholesalers.

In order to smooth out inequalities which invariably creep into any ceiling based on prices on a single day or month, the entire timber price structure has been under survey in recent months. Shortly the timber control is expected to submit proposals for levelling out the entire price structure under the original ceiling, but in a way to iron out local and individual inequalities.

Something of the same principle may eventually be adopted by the W.P.T.B. for other commodities which are now included under the general price ceiling.

Although Prime Minister King mentioned in his Oct. 18 statement the possibility of rationing, there is no immediate prospect of the Board expanding into this field, The Post is informed.

It is probable that the board will have its hands more than full working out the administrative details of its vast price control organization.

In a few months time if purchasing power continues to expand and shortages become more acute, some further action toward consumer rationing may be necessary. Meanwhile, it is expected that any further rationing will be in the direction of what is already being done by the Wartime Industries Control Board, namely the cutting off of vital raw materials (chiefly metals) at the source plus some rationing of producers such as the makers of radios, electrical appliances, etc.

It is expected that the operation of the price control ceiling will tend definitely toward standardization and simplification of consumer goods over a wide area.

The forthcoming price fixing order will lay down general requirements as to the maintenance of quality.

This is to prevent chiselling by substitution of cheaper materials in lieu of price increase.

How successful the board will be in enforcing these provisions remains to be seen.

There is no intention of setting price policemen at every street corner to see that a 40-cent meal in November or December is still as good quality as a meal of the same price served in September.

The most potent corrective the board possesses is its power to license.

As at December 1, every manufacturer, distributor, retailer in the food, textile, footwear and allied groups will be required to have a license. If any infraction of the price control order is brought to the attention of the board and the offender found guilty, the license can and will be immediately rescinded.

Withdrawal of the license means automatically a padlock on the door. There can be no manufacture, sale or distribution of goods without a license.

Summary dealing with attendant publicity will, it is hoped, prove a strong deterrent to any widespread infractions.

For the rest, the board hopes to obtain the support and co-operation of Canadians at large.

Standard Clay Earnings Hold

No Plan to Meet Bond Maturity Next Year Formulated

From Our Own Correspondent

MONTREAL.—Earnings of Standard Clay Products Ltd. in the current year have been well maintained, The Financial Post is officially informed ,and it is expected they will be closely comparable to those for 1940.

In the latter year, net profit amounted to $21,311, compared with a net loss of $1,001 in 1939. Interest was earned on the 6% first mortgage bonds 2.21 times in 1940 after depreciation and depletion. This compares with .96 times in 1939.

Bonds Mature in 1942

The issue, of which there was $477,900 outstanding at Dec. 31, 1940, matures Dec. 2, 1942. The company has not formulated any definite plans for meeting this maturity, and will probably not do so until results for the current year have been ascertained and alternate methods of meeting maturity studied.

At Dec. 31, 1940, the company reported net working capital of $309,204. Cash on hand totalled $88,007; accounts receivable, less reserve, $73,474 and inventories, $179,643.

Int. Metal Industries Cuts Arrears to $10

International Metal Industries Ltd. has declared an extra dividend of $3 a share on account of arrears on its 6% preference and preference series "A" stock, payable, along with the regular $1.50 a share dividend, on Nov. 1, 1941, to shareholders of record Oct. 15. After giving effect to this payment, arrears on these two stocks will be reduced to $10 a share.

The latest payment will make $16.25 a share which this company has paid in cash in reducing arrears on these stocks accumulated during the depression years. A policy of paying arrears in cash out of current earnings was adopted following rejection by shareholders of an attempt to eliminate arrears by a recapitalization plan early in 1940.

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Abitibi Hearing Is Adjourned

Hearing on the application to hold a sale of the assets of Abitibi Power & Paper Co. without reserve bid originally scheduled for Oct. 18, has been adjourned to Oct. 27.

Reason for the adjournment is said to be the necessity of giving six days' notice of intention to test the validity of the Moratorium Act passed by Ontario and only proclaimed when the sale application was renewed by the bondholders' protective committee. It is probable that argument before Mr. Justice Middleton will hinge largely around the question of the validity of this act which the bond group is challenging.

Tobacco Tax Goes to Health

Beginning with the new fiscal year on Nov. 1, 1941, Premier John B. McNair announced that full net proceeds of the New Brunswick tobacco tax will be turned over to municipalities to assist them in financing their fight against tuberculosis and other public health charges.

In the past year, an estimated $40,000 was made available from tobacco tax revenue for tuberculosis care. In the coming year upwards of $200,000 will be available from this source for the municipal health charges. The full amount will not be available to the municipalities until Jan., 1943, following the end of the provincial fiscal year on Oct. 31, 1942.

Taxation Discussions

In connection with the Dominion government proposals regarding the withdrawal from the income and corporation tax field which have been accepted in principal by both New Brunswick and its municipalities, the Premier said the provincial government would undertake to pay the cost of sending representatives of the municipalities to Ottawa. Mr. McNair pointed out that the deals between the Dominion government and the various provinces will be worked out separately, and no final arrangement signed with any province until each province has been informed as to the arrangements made with the others.

Robt. Mitchell Co. Doubles Cartridge Unit

From Our Own Correspondent

MONTREAL. — Robert Mitchell Co. is erecting a building adjacent to their present foundries for the purpose of manufacturing brass cartridge cases.

The new plant will have a capacity equal to the two existing plants now operated by the company and will provide employment for about 750 workers.

Completion of the new unit is expected some time during December.

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Reconditioning the Social Services

Says Now Is the Time to Prepare for Postwar Problems

Herewith The Financial Post presents the second of three articles on reorganization of the social services in Canada.

The Post publishes these articles as newsworthy and as coming from an authoritative source, but publication, of course, does not necessarily imply agreement with their findings. The author urges that NOW is the time—when employment is very high and war-bred prosperity reduces social service burdens to the minimum—for reconditioning the Dominion's social service machinery to meet the inevitable postwar readjustment.

The author of this series is Harry M. Cassidy, head of the department of Social Welfare, University of California, formerly Director of Social Welfare for British Columbia and one-time professor of Social Science, University of Toronto. The following article will appear in successive issues of The Financial Post.

This writer declares that with responsibility for various aspects of Canadian welfare work scattered over an assortment of government departments, efficient operation is impossible, and that proper administration cannot be secured without co-ordinated administration and high-calibre staff.

By **HARRY M. CASSIDY**
University of California

In a preceding article it was pointed out that the Canadian public welfare services, which prior to the war period were costing the country $250 millions annually and were responsible for the maintenance of about 1.5 million public dependents, were badly organized and administered.

The long quarrel regarding Dominion-provincial relations overshadowed all discussions of public welfare, so that the efficient management of this huge programme received but little attention during the 1930's.

In consequence, Canada did not succeed in building up a modern and efficient public welfare system prior to the war. This is in marked contrast to the situation in the United States.

The Americans, like the Canadians, entered the 1930's with an antiquated poor-law, local-responsibility system of welfare services.

Emergency provisions for relief were followed by the federal Social Security Act of 1935 and other permanent federal measures, and these led to a veritable revolution in state and local services throughout the country.

As a result the United States now has a welfare system which, although still imperfect in many respects, represents an enormous advance over that of 1930 and which is equipped to cope effectively with another unemployment crisis in the postwar period.

The Canadian system, on the other hand, will be unable to assume successfully heavy postwar responsibilities unless, during the war, it is thoroughly reorganized, from top to bottom.

Lack of Leadership From Ottawa

The Dominion has not set a good example in administrative organization. It is concerned only with a few of the welfare services, and these are distributed among several departments.

Unemployment relief has been under the Department of Labor, while the other public assistance service with which the Dominion is concerned, old age pensions, comes under the Department of Finance.

Penitentiaries and delinquency problems come under the Department of Justice.

The Department of Pensions and National Health administers war veterans' allowances, medical care and other welfare services for veterans.

Social services for Indians are administered by the Department of Mines and Resources.

While there are some good reasons for this distribution of the federal welfare services among several departments, it is unfortunate that there has been no machinery to correlate these several closely-related activities.

More serious still is the fact that there is no office in any department that is responsible for taking a broad view of the whole welfare field, for collecting and distributing information and statistics, and for providing a central intelligence service for the provinces and the general public. There is, therefore, no provision for national planning, co-ordination, and leadership in the welfare field.

Integration of Like Services

At most of the provincial capitals there are two basic weaknesses in organization—poor integration of related services and unsatisfactory intradepartmental organization.

During the last ten years there have been notable improvements in the organization and administration of particular bureaus and divisions in some provinces, notably Ontario, Alberta, and British Columbia. But in no province has there been an over-all attack on the problem sufficient to overcome the two basic weaknesses that have been mentioned.

It is a first principle of good organization in private business, in the army, or in government that like services should be grouped together in administrative units. This principle has been thoroughly violated with respect to most of the provincial welfare programmes. Typically one finds them divided among three or more departments or independent agencies, with great diversity in the arrangements that prevail from province to province.

The situation in British Columbia will serve to illustrate the disorganization that prevails.

Three of the 13 departments in British Columbia, and one independent agency, perform welfare functions. The closely related public assistance services are split three ways.

The Workmen's Compensation Board administers old age pensions, the Department of Labor handles unemployment relief and most of the poor relief, while the Provincial Secretary's department operates mothers' allowances and a minor portion of the poor relief.

The main system of hospital grants is administered by the Provincial Secretary's department, but payments to hospitals in respect of certain unemployment relief recipients have been made by the Unemployment Relief Branch of the Labor department.

One infirmary for chronically ill patients is operated by the Provincial Secretary's department, while the Unemployment Relief branch operates another.

Provincial jails and a Borstal-type institution for young offenders come under the Department of the Attorney-General, while industrial schools for juvenile delinquents come under the provincial Secretary.

The Provincial Secretary's Department, which has the bulk of the welfare services, contains the related health services. But it also has the Provincial Library, the Provincial Museum, the King's Printer, administration of the elections act, the Civil Service Commission, and other odds and ends that have no relation whatsoever to welfare.

This means that there is no one government department in British Columbia that can take an over-all view of the provincial system of welfare services and that can take the lead in co-ordination of provincial and local activities.

When the municipalities approach the government on welfare matters they must deal with three different ministers.

To a certain extent there is overlapping of activities between the four government welfare agencies. This is most notable in the case of public assistance.

Visitors from the Unemployment Relief Branch, from the Welfare Branch of the Department of the Provincial Secretary, and from the Old Age Pension Division of the Workmen's Compensation Board traverse the same territory making similar investigations, when one visitor might well do the work for all three offices. This is a matter of expense and of importance in a province where population is scattered and travel costs for government officials are necessarily high.

Inside the Departments

With this lack of integration of related activities, common in other provinces as well as in British Columbia, good intradepartmental organization could scarcely be expected. In some of the provinces child welfare, mental hospitals, unemployment relief, and other branches appear to operate more or less autonomously, without much relation to other divisions of the same department and with but little supervision from ministers and deputy ministers. This has been particularly true of institutions like mental hospitals, jails and industrial schools.

Another defect of internal administration has been the slight development of specialized "auxiliary" bureaus for research and statistics, accounting and business management, personnel, and publicity and education, to serve the operating agencies.

Every manual on public administration points out the need of such offices, but the scattered welfare branches of the provincial governments have been either too small or not sufficiently interested to develop them to any extent. There is not, to the writer's knowledge, a single research division in any provincial welfare bureau, nor does any province compile and issue month by month, statistics on its major welfare programmes. In consequence the newspapers and the general public are almost totally uninformed regarding this important area of public business.

The Local Situation

On the local level, administrative structure is more simple. In several of the cities, including Toronto and Vancouver, there are fairly well-organized welfare departments. However, in many others the administrative machinery is very poor, and in the smaller towns and the rural districts it is frequently casual in the extreme.

Poor organization on the local level, great variations in policies and procedures, and generally low standards of administration are the inevitable results of the lack of provincial control and supervision of the local services.

The provincial governments have done little to prescribe local standards of administration. Nor do they have field staffs of highly trained, competent persons, to assist and advise the local authorities. It is largely through the use of such field agents by state departments in New York, California, Washington, Minnesota and other states that the quality of local administration in the United States during the last few years has been vastly improved.

In large part, these conditions are a reflection of weak personnel. In no province is there a settled policy of appointing, on a merit basis, trained welfare workers to administrative positions and of continued training on the job.

Individual cabinet ministers, such as the present Provincial Secretary of British Columbia, have done their best to make good appointments, and so have the heads of various local welfare departments.

But in spite of these policies of goodwill, the fact remains that properly trained and qualified personnel fill only a small portion of the provincial and local public welfare jobs in Canada.

Political appointees, friends of cabinet ministers, mayors and administrators, worthy widows for whom "something must be done," and older men thrown out of previous occupations in the depression years, clutter up the welfare offices and institutions across the country. Such persons seldom see through the complicated problems of the subject, and from them there has come not nearly enough pressure upon the politicians to clean up the organizational hodgepodge and administrative confusion.

Surveys in Every Province

Thus there is, in most of the provinces, a first-class problem of management to be tackled in the welfare field.

What is needed first, in every province, is a careful survey of the whole range of welfare services, provincial, local, and private, as the Rowell-Sirois Commission suggested.

Thorough review of the facts will pave the way for detailed recommendations on reorganization. Royal Commissions or other authoritative bodies of enquiry, such as the Ontario Public Welfare Commission of 1930, should be established to make these studies. The fact that none of the provinces except Ontario and Quebec bothered, during the 1930's, to subject their welfare services to the scrutiny and the appraisal of commission investigation is a commentary, in itself, upon the need for such examinations today.

Royal Commission enquiries, drawing upon the advice of technical experts from outside the provinces as well as upon local thinking, could undoubtedly outline plans that would make for a major transformation in the provincial and local welfare services.

Ontario Power Load Boosted by War Work

Records are being broken month by month as Ontario's power load rises under the impetus of war industry.

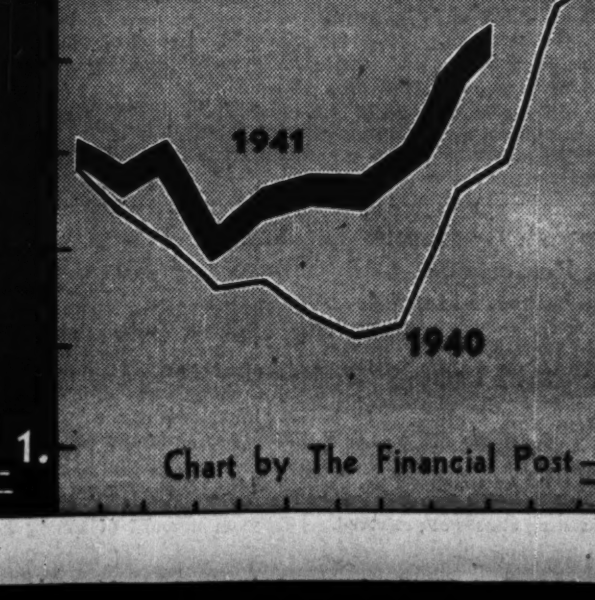
September figures of the Hydro-Electric Power Commission of Ontario show a gain of 14.5% in peak load for primary power. On a percentage basis, two of the smaller systems show the greatest rise. Georgian Bay is up 24.4% over September a year ago and northern Ontario up 19.9%.

Of greater significance, however, as a measure of Canada's war effort is the action of the Niagara system which serves the industrialized section of the province and which distributes 70% of all the power used in the commission's territory. This system shows primary peak load up 13.9% for September and the combined primary and secondary load up 9.1%. The lower gain when the combined load is studied is due to rising primary power demand which is being supplied partly by transfers from secondary power users.

With the season of peak power load approaching late in November and early in December, Ontario Hydro is watching anxiously the margin of unused power available to satisfy the continually rising demand. The supply is expected to be adequate but only barely so.

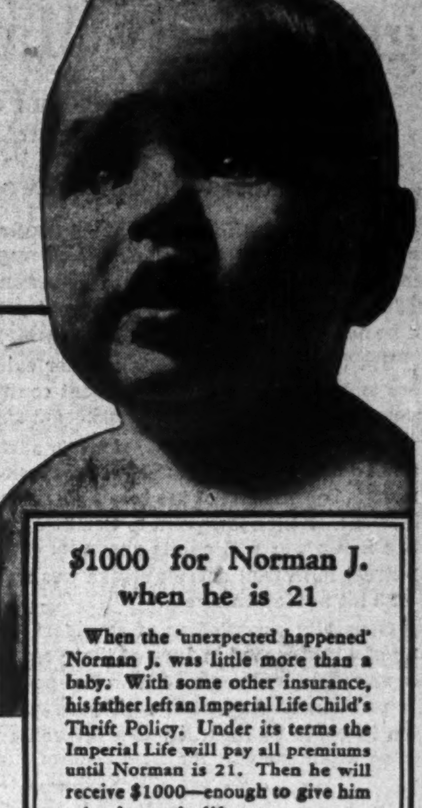
Maximum 20-Minute Peak H.P.

System:	Sept.,	Sept.,	Incr.
Primary Loads:	1941	1940	%
Niagara	1,423,056	1,249,597	13.9
Eastern Ont.	175,907	155,174	13.4
Georgian Bay ..	46,349	37,269	24.4
Thunder Bay ...	105,563	96,515	9.4
Northern Ont. ..	232,854	194,244	19.9
Total	1,983,729	1,732,799	14.5
Primary and Secondary Loads:			
Niagara	1,541,421	1,412,332	9.1
Eastern Ont.	176,316	155,496	13.4
Georgian Bay .	46,349	37,269	24.4
Thunder Bay ..	110,643	96,515	14.6
Northern Ont. ..	274,409	226,549	21.1
Total	2,149,138	1,928,161	11.5



Let Your Son be a Credit to His Father

Set your mind at ease —secure his education the Imperial Life way



WHEN he is ready to plunge into the hurly-burly of business or professional life, you may not be here. But through Imperial Life, you can make certain your son will be equipped to be a credit to you—educated to compete.

Many fathers, remembering the handicaps *they* had to overcome, have made certain that their children will have every advantage that education can give them, by taking out an Imperial Child's Thrift Policy. This provides that a sum of money, the amount you decide upon, will be paid your son at the date you choose.

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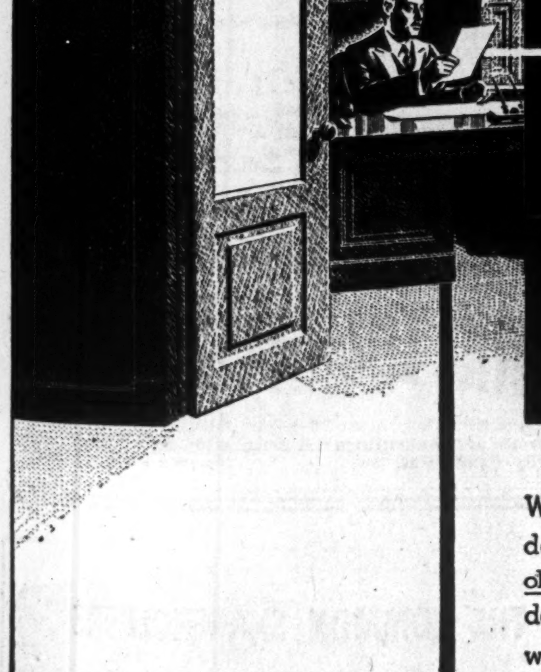
LET US SEND YOU THIS BOOKLET
The title is: "*Money for Them.*" You'll find it very helpful. It is free. Write Imperial Life Assurance Co., 20 Victoria Street, Toronto, Ont.

$1000 for Norman J. when he is 21

When the 'unexpected happened' Norman J. was little more than a baby. With some other insurance, his father left an Imperial Life Child's Thrift Policy. Under its terms the Imperial Life will pay all premiums until Norman is 21. Then he will receive $1000—enough to give him a head start in life.

Norman's need will be all the greater because his father will not be here to guide him. Why not provide an Imperial Life Child's Thrift Policy for *your* boy—or girl?

IMPERIAL LIFE



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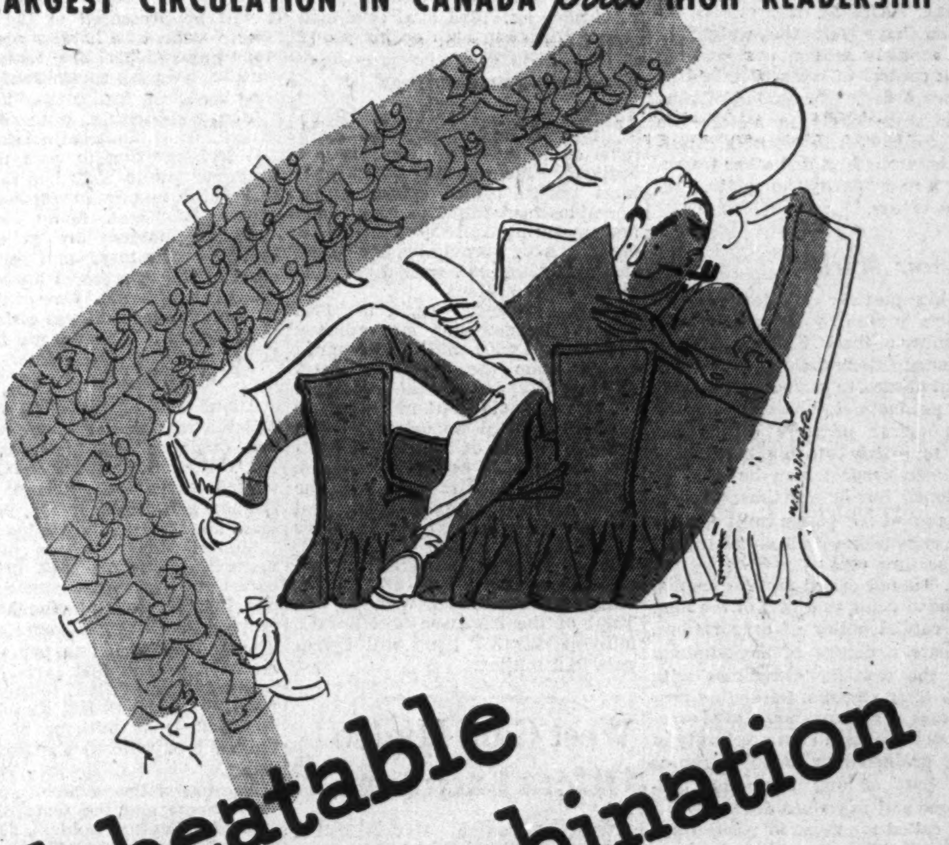

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▶ READERSHIP of the Star Weekly is extraordinarily high throughout every section. A recently completed survey taken from coast to coast shows that all sections but one have over 85% readership!

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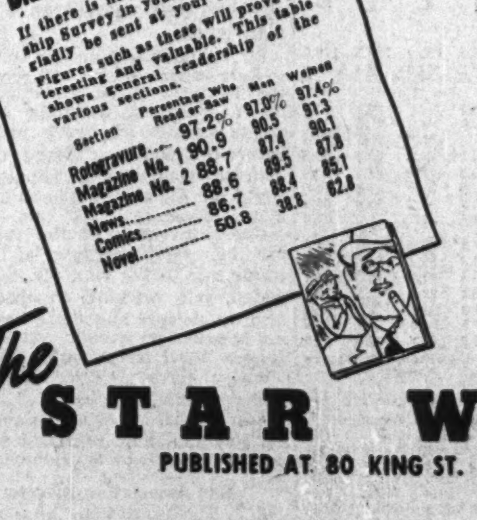

Did You Get Your Copy?

If there is no copy of the Readership Survey in your office one will gladly be sent at your request.

Figures such as these will prove interesting and valuable. This table shows general readership of the various sections.

Section	Percentage Who Read or Saw	Men	Women
Rotogravure.....	97.2%	97.0%	97.4%
Magazine No. 1	90.9	90.5	91.3
Magazine No. 2	88.7	87.4	90.1
News...........	88.6	89.5	87.8
Comics..........	86.7	88.4	85.1
Novel...........	50.8	38.8	62.8

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Investment Trends

New Control Scheme Ignored By Markets

Attention Still Focuses on Fortunes of War and Stocks Move in Direct Sympathy — Food Stocks Reviewed After Two Years of War

There has been little evidence in stock market circles as yet that the all-embracing system of price and wage controls to be set up in Canada should be regarded as a disturbing factor. Perhaps this is because details of the scheme have not yet been published and may not be available for some time yet.

But this announcement is another evidence of the trend toward more and more wartime government control and such things do not encourage optimism on stock markets at any time.

In the meantime, like the German advance on Moscow, the stock market decline has halted, at least for the present. This did not happen, however, before most of the laborious gains since early June had been wiped out. At the low point to Oct. 21 of 92.59, the Toronto industrial share index was 6.72 points above its early June low of 85.87. The Montreal industrial share average was about 9 points above the low of 52.3 hit in May this year.

Generally regarded as of considerably more importance are the lows of 1940 reached in June of that year. These were 56.0 for Montreal and 86.0 for Toronto. These two points, the lows of last year and this year, mark important resistance points. If stocks hold above them it would be regarded as a favorable point while decisive penetration would suggest the likelihood of further declines.

• • •

Food Stocks in War

In the years just before the war, food stocks gained on the rest of the market, and were creating a steadily wider gap at the outbreak. The gap has been maintained, frozen at about the same distance above the average.

A seven-page supplement in this week's issue of The Financial Post reviews developments of the past year and shows what war has done to the food industries of Canada.

Although the increases in production in the food industries have been greater than in other peacetime trades, and rival some of the munitions plants, few have been able to carry the gains in operating profits past the reserve for excess profits taxes. Throughout the various components of the food industry one keynote has been struck in recent operations. It is that of dwindling profits on the unit of production, compensated in part by gaining volume. Where companies have been unable to expand volume, the shareholder has suffered.

That these casualties have been rare is attested by the price action of shares in the industry. For the most part the investor's dollar has gone into the larger companies, providing in many cases the capital that has equipped them to take advantage of widening markets.

Less perhaps than other trades will the food companies suffer under the price and wage restrictions now looming. Already many food industries have felt the weight of price controls, seldom compensated by the control of costs promised in the new order. The spread of control is more likely to restore the basic similarities in working conditions between food and other trades, bring a new "parity" to relative security values.

• • •

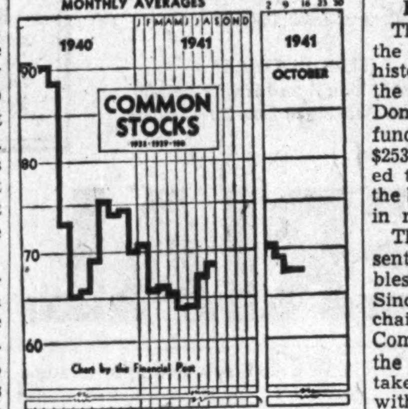
Postwar Markets

A big postwar job for security markets is seen by Ganson Purcell, a member of the U. S. Securities and Exchange Commission. He sees capital needed to perfect and market new products developed from the technological progress during the war; to satisfy the big backlog of consumer needs which have to be postponed during wartime; to provide capital for plants built for defense expansion which can be turned to peacetime uses.

Mr. Purcell called for a reduction in funded debts as a part of the long term capital policy of corporations. He fears a deluge of bankruptcies after the war for companies with heavy fixed charges. Refunding programmes at present should give careful consideration to the possibility of using preferred or common shares as a part of any refunding programme and to reduce debt.

He called for those in positions of leadership in the securities business to put their houses in order, a programme already under way in many instances.

What Mr. Purcell said, of course, was intended for a United States audience. He sees that country playing a dominant part in supplying the capital which the world will keep after the war. But the fact that he sees an important continuing job for the security markets after the war is of great significance to investors everywhere, including Canada. It does not hint at an end to investment, but rather to new fields and new opportunities.



Refunding Issue For Ontario

Wood, Gundy Offers $10.5 Millions Serial Debentures

In announcing the new Province of Ontario $10.5 million refunding issue, Hon. M. F. Hepburn, Premier and Provincial Treasurer, states the province is currently showing an overall surplus:

> "In the first six months of the current year ordinary revenues of the province are not only in excess of the budget estimates but also have exceeded total combined expenditures in both ordinary and capital accounts."

Surplus Last Year

For the fiscal year ended March 31, 1941, ordinary revenues were reported at $103.8 millions, against ordinary expenditures of $84.4 millions before providing for direct unemployment relief, sinking funds and maturing railway aid certificates. After providing for these items, the surplus reported amounted to $13.9 millions.

On a comparable basis, the 1942 Ontario budget calls for ordinary revenues of $106 millions, a figure which, from the Premier's statement, will apparently be exceeded.

The new bond issue of $10,500,000 is to be offered immediately by a large syndicate of investment dealers and banks, headed by Wood, Gundy & Co. The issue will be of the serial type, maturing in equal annual installments of $1,050,000 from Nov. 1, 1942, to Nov. 1, 1951. Interest rate on maturities in the first six years will be 2%, on the remaining maturities will be 3%. Total of the 2% issue will be $6.3 millions, the 3% issue will aggregate $4.2 millions.

West Can. Hydro Offers Exchange

West Canadian Hydro-Electric Corp. is offering holders of its 6½% debentures, due 1945, an exchange for $1,100 principal amount of series B, 5½% debentures, due 1966. The 6½% debentures are payable in Canadian or U. S. funds and are outstanding to the amount of $412,000. The series B, 5½% debentures are payable only in Canadian funds and are at present outstanding to the amount of $166,800.

Both series of debentures are secured under the same trust deed and total authorized amount was $2 millions at June 30, 1941. The company also has outstanding $1 million of first mortgage 6% bonds, due 1950, and payable optionally in Canadian or U. S. funds.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg., mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
					(Base 1935-39=100)							
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.3	104.3	84.0	79.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Weekly Figures:												
Sept. 4 ..	78.4	78.1	72.8	49.0	107.1	92.6	101.2	81.5	67.3	90.2	73.9	69.2
*Sept. 11 ..	80.0	78.1	73.0	50.8	109.6	94.0	102.6	82.5	68.3	91.1	74.6	71.3
Sept. 18 ..	82.5	81.5	75.4	54.3	109.7	94.5	105.2	84.1	70.4	91.7	76.2	73.1
Sept. 25 ..	80.7	76.1	75.3	50.3	108.1	92.5	100.9	81.5	68.2	91.8	73.5	70.1
Oct. 2 ..	80.7	78.6	78.8	52.3	107.4	93.1	102.3	82.4	69.6	91.3	75.5	71.2
Oct. 9 ..	78.5	74.5	75.9	51.3	104.5	92.1	99.4	80.0	67.3	91.0	72.9	69.5
Oct. 16 ..	77.6	75.1	75.9	50.7	104.7	91.0	97.3	78.5	67.6	90.4	72.7	68.5

*High and low for year from 1929 to 1940 inclusive are based on weekly figures ompiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Oct. 21	94.03	95.82	69.68	19.19
Oct. 20	93.33	95.48	68.89	19.00
Oct. 18	93.14	95.79	68.80	18.93
Oct. 17	92.59	95.78	68.72	19.05
Oct. 16	92.67	95.62	68.58	19.02
Oct. 15	94.29	97.79	69.85	19.30
Month ago	98.11	100.33	72.19	19.95
Year ago	102.80	103.51	68.80	22.01
High 1941 ...	103.48	109.76	75.30	21.62
Low 1941	85.87	95.48	59.30	16.73

Montreal Stock Exchange Averages

	10 Util	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Oct. 21	45.0	62.0	56.3	81.90	68.17
Oct. 20	44.6	60.9	55.5	76.53	68.05
Oct. 18	44.6	61.6	55.6	76.53	68.44
Oct. 17	44.9	61.0	55.6	77.01	68.86
Oct. 16	45.3	61.4	56.0	76.70	69.14
Oct. 15	45.6	61.9	56.4	77.00	69.78
Month ago .	46.2	65.1	58.8	83.89	73.02
Year ago ..	56.0	68.9	64.5	85.68	76.00
High 1941 .	54.3	66.6	62.3	88.90	79.99
Low 1941 ..	42.1	52.3	49.3	58.96	67.38

Montreal Plan Now Ready For Airing

Refunding Scheme for Largest Municipality to Get Preview This Week

From Our Own Correspondent

MONTREAL.—A plan for refunding Montreal's defaulted debt will be presented to the city's executive committee and 99-man city council this week, The Financial Post learns.

No official details of the scheme have been released, pending presentation to the council, but it is understood it will contain proposals for extending existing maturity dates and a general reduction in contractual interest rates.

To Recommend Approval

The plan, evolved by a representative debenture holders committee, appointed by United States, Canadian and British holders, in collaboration with municipal and provincial authorities, is understood to pertain to the Montreal situation only. It ignores the larger metropolitan problem, which it is believed will ultimately have to be considered.

The debenture holders' committee, if and when the plan is accepted, will recommend approval of the plan to private debenture holders.

Record Municipal Refunding

The Montreal refunding plan is the largest in Canadian municipal history. The debt involved ranks the fourth largest public debt in the Dominion. At April 30 last gross funded debt of the city totalled $253.5 millions. Bank loans amounted to $35.8 millions. Disposition of the bank obligations will come within range of the refunding scheme.

The plan apparently will be presented to city council with the blessing of the Quebec government. Since default last May, L. E. Potvin, chairman of the Quebec Municipal Commission, has been supervising the municipality's affairs. He has taken an active part in negotiations with the formal debenture holders' committee, and, early in proceedings with the predecessor committee, was author of a plan in his own right.

Approved by Quebec

The Quebec government has for some time been anxious to remove the stigma of default from Montreal, as it bears on the problem of Quebec finances. Since the Godbout administration provincial affairs have taken a distinct turn for the better. It is expected a successful clearing up of the Montreal situation will give the improvement additional impetus.

For City Approval

While the municipality is under the supervision of the province it will be necessary to present the refunding plan to the council for approval. With the endorsation of the active negotiators to the scheme, it will be presented to the many "small" debenture holders scattered around the globe. The formal debenture holders' committee represents the larger institutional holders, holding a substantial, but undisclosed amount of Montreal bonds.

It is interesting to note that no Canadian public body has as many currencies to pay in servicing its debt as Montreal. Many Montreal debenture holders are in enemy-occupied territory, and probably some of the debentures have fallen into German hands. One of the last Montreal issues sold was distributed to investors in Holland and interest is payable in Dutch guilders.

Distribution of Debt

About 38% of the city's debt is payable in Canada; 8% in Canada and England; 32% in Canada and the United States; 2% in Canada, United States and England; 2% in Canada and Holland; 18% in England, and .27% in the United States.

Montreal defaulted on principal maturities May 15, 1940, after the banks refused to accommodate the city further. Default climaxed several years of financial deterioration. The city continued to pay interest on its debt and met serial debentures, but defaulted term obligations. At April 30 last the city had defaulted $13.6 millions of funded debt, all payable in Canadian currency.

Because of the involved nature of the scheme and the wide distribution of debenture holders, considerable delay is expected to occur before the plan is finally consummated.

Railways Can Handle Traffic

No Shortage of Cars in Sight, Says George Stephen, C.P.R. Vice-pres.

From Our Own Correspondent

MONTREAL.—There is no shortage and no likelihood of a shortage of railway cars in Canada, according to George Stephen, vice-president of the Canadian Pacific Railway.

Canada's railways are meeting all transportation problems created by war conditions, he said, and their efficiency has reached an all-time high level.

Mr. Stephen said he was surprised to hear reports on his trip west that the railways faced an impending car shortage in handling current wheat because of heavy traffic in other commodities. Based on his own knowledge of the situation, he could not see the likelihood of such a development.

Gross revenues of the railways are increasing because of added traffic due to the war, Mr. Stephen added, but working expenses are also up sharply and there has been no increase in freight rates. The general level freight rates throughout Canada, he said, is lower than that of some years ago.

War traffic, Mr. Stephen concluded, should not be regarded as permanent growth or development.

Gas Association Director

E. J. Tucker, director and general manager of Consumers' Gas Co. of Toronto, has been elected a director of the American Gas Association for a two-year term.

The Freezing Proposal Effect on Business

STOCK MARKETS—Wrapped in close study of the moves of the war in Europe and Asia, stocks apparently ignored the imposition of breath-taking economic controls. Relief will be felt when it is learned generally that stock prices are not to be included in the general freezing order. Generally, this is another phase of the steady encroachment of government control, a factor probably inevitable in wartime, but bound to have a generally hindering effect on earnings and investor returns.

BOND MARKETS—New programme, if effective, protects the bondholder against further inroads from rising living costs, reduces the need to add "inflation hedges" to investment portfolios and tends to assure successful marketing of future Victory Loans. If the programme fails, the bondholder may be no worse off than before its announcement, unless the cost of the plan and the impact on business and government of its failure should be great enough to undermine the Dominion's credit.

FOOD INDUSTRIES—In the food industries, government-controlled prices have been common both before and since the outbreak of war. Extension of these controls should protect the food trades from further inequitable squeezing of profit margins, occasioned by controlled selling prices, uncontrolled costs. Problems of administration will be acute owing to the large number of lines carried in most trades, and the varied sources of supplies, many outside the country, others going back to primary producers. Many food prices are still based on prices when purchased, rather than replacement cost. Unless adjustment is made, freezing of these prices will presumably bring losses in these lines when goods are replaced at the currently higher wholesale prices.

PUBLIC UTILITIES—By common practice and because of the needs of war, prices of public utility services are stable over long periods. The new freezing plan is, therefore, expected to aid the majority of these companies by protecting their present cost structure, hence preserving the established profit margin against further inroads of rising labor and material costs.

PULP AND PAPER—With only less than 15% of their total production taken by the domestic market, pulp and paper companies find the price ceiling covers only a fraction of their sales, while the labor and materials ceilings will presumably cover the majority of their costs. From the information available on the working of the plan, the industry appears to be assured of the ability to maintain the present export price, or to take advantage of any increases in the export markets.

TEXTILES—Working mainly on imported materials, and employing large labor forces, the textile companies are far from clear on the effects of the new controls. New price lists have been issued, some for Nov. 1, others later. Will these prices, based on present labor costs, stand? How will the government freeze the cost of their imported materials? What rulings will be put into effect to deal with the question of charging higher prices for an article by putting a different brand name on it?

GOLD MINES—These have been selling their product at a fixed price of $38.50 an ounce but their costs have been rising sharply the last nine months. The new price and wage ceilings would now appear to stabilize the margin of profit except for taxes and writeoffs.

BASE METAL MINES have already received allowance for increased operating costs under U. K. contracts, and the new order means no great change for them. Entry into the United States metal market may be facilitated by the new order, however.

TRANSPORTATION—Transport officials point to the fact that freight rates have previously been controlled by the Transport Board. It is one thing to freeze the average rate, but individual rates have to be flexible, and their control is a highly technical problem which, they say, should be left with the Transport Board. Railways have already been paying cost of living bonuses to workers earning up to $340 a month and many details of wage policy are still in doubt until further information is available.

AGRICULTURE—During last month, base period for the new price ceiling, most agricultural prices were well above the levels of the last three years and in this respect the new policy puts this industry in a favorable position. On the other hand, for some time prior to the outbreak of war and up to at least a year ago, practically all agricultural prices in Canada were generally conceded abnormally low, were well below the 1926-30 level. This was due to gradual restriction of all export markets save Britain and the U. S. Making the new policy workable in agriculture is conceded a major job as the average farmer is both a seller and buyer of agricultural materials. Many farms in eastern Canada are more in the nature of factories than basic producers. Farmers are curious as to the methods and workability of controlling seasonal price fluctuations.

LABOR—Spokesmen contend that consultation with labor leaders in advance was inadequate. They want to couple any such measure with extended minimum wage laws. Fearful of loss of collective bargaining rights and interference with privilege of steadily raising basic wage level, labor appears critical, at least in public statements made. Before freezing wages, they say, the government should make sure that decent wages are being paid all workers.

HOUSEHOLD APPLIANCES—Already subject to restricted output and with price increases now in effect largely resulting from higher taxes, makers of such equipment are chiefly concerned with supply of materials. Some revisions of cost of living bonuses and wages may be necessary, but majority are already complying with P.C. 7440. Like other manufacturers, they are wondering what measures will be taken to keep material costs around pegged levels.

MERCHANDISING—Probably most directly affected by the new order, retailers and merchandisers generally are reluctant to comment until more details are available. Big department stores have men in Ottawa waiting to get first official information. Retailers wonder about merchandise ordered ahead for sale next year and supplies of goods not produced in Canada. From the labor angle, most large retailers will come at once under the wage and bonus policy but many smaller ones will escape for a period at least. Large proportion of relatively low-earnings groups in retailing make this bonus a phase of considerable importance.

IMPORTERS—Most import firms have already been paying higher wages and expect only minor changes through the freeze and bonus labor plan. But until further details come to light, they are at sea regarding the price control of their imported materials. If government is to act as middleman, subsidizing low-cost imports, they fear that it will not have the buying advantages and trade connections which make for low costs. The government subsidies to keep imported price levels down are expected to be very costly. Although a wait-and-see attitude is general, the import trades are not as yet optimistic as to the wisdom or feasibility of the scheme.

CHARTERED BANKS—Bankers await definite news from Ottawa as to how the new price fixing order will affect their institutions. While in some quarters it was expected the new order would not apply to the banks, two ways were seen in which it might: 1, limitation of interest and service charges; 2, freezing of salaries. As regards interest rates, it was pointed out the Bank Act already places a limit of 7% on the rates that can be charged on loans of any size. One banker stated that if the banks could get the average rates charged for loans up to this rate the banks would be well pleased. Freezing of service charges, such as cashing depositors' cheques, etc., would not make any difference, it was believed, as competition tended to keep these down in any event.

LIFE INSURANCE—There was a feeling that premium rates would probably not be affected. Some officials took the ground that it would be difficult to freeze premium rates unless the interest return on investments and mortality rates could be frozen also. It was also stated that in the case of participating policies a practical increase in rates would be effected by a cut in the dividend. Thus dividend rates would also have to be frozen. The extension of the government's wartime wage policy to the life companies it was suggested might tend to check regular salary increases but would mean wider adoption of the bonus system.

FIRE AND CASUALTY INSURANCE—Awaiting definite word spokesmen indicate that as far as fire insurance rates were concerned, the placing of a ceiling over them would make little difference as the trend for some years has been downward. If the fire losses should show a big increase it would of course make a difference. Automobile rates have been based on the loss ratio and here, as in the case of fire insurance, difficulty in any proposed plan to peg rates would develop unless losses could be pegged too.

American Cyanamid Calls Preferreds

American Cyanamid Co. has called its outstanding first, second and third series of 5% convertible preferred stocks for redemption Nov. 1, 1941, at $10.50 a share. Payment is being made at the Chase National Bank, New York.

This action follows approval by shareholders on Aug. 25 of the issuance of new 5% cumulative preference shares in exchange for the three existing classes of preferred.

Names New Director Bank of Nova Scotia

Dr. J. G. MacDougall of Halifax has been elected a director of the Bank of Nova Scotia. Dr. MacDougall is a member of the Board of Governors of Dalhousie University, president of the Maritime Life Assurance Co. and a director of the Halifax Insurance Co. His appointment fills the vacancy created by the resignation of Hon. James C. Tory on account of failing health.

National Gov't. Not Dead Issue

Little has been heard of late about a national government for Canada. The matter may not be a live issue publicly, but it is not dead.

Prime Minister King is understood to be still working on a national government and bringing into his cabinet three or four Conservative members.

Those mentioned include Messrs. Hanson, Stirling and Casselman. Mr. Hanson already has had something to say about taking a post in the cabinet, but much water has flowed under the bridge since then.

Seagrams Plans New Loan Powers

Shareholders Will Vote on By-law to Provide Greater Latitude

From Our Own Correspondent

MONTREAL.—Distillers Corporation-Seagrams Ltd. has called a special meeting of preferred and common shareholders to secure approval of a by-law permitting the company greater freedom in borrowing money.

At present the company is limited to borrowing money in the ordinary course of business on obligations maturing within two years, except for a $5 millions loan of five years. It is proposed to do away with this limitation.

Limits Debt Increase

The company proposes that it will not increase its debt, purchase or redeem any stock junior to the preferred, issue any additional preferred, or pay any dividend on any stock junior to the preferred, if after any such action consolidated liabilities plus the aggregate par value of the preferred exceeded 75% of consolidated current assets.

The company also proposes that it will not redeem or purchase or pay any dividend on stock junior to the preferred, unless consolidated net working assets are twice the aggregate par value of the preferred stock outstanding;

No preferred stock will be issued unless consolidated net tangible assets are equivalent to three times the then outstanding preferred instead of twice as presently provided;

Increase the sinking fund on the preferred 5% Series from 3% to 5% per annum, beginning Feb. 1, 1943;

In effect, freezing an additional $12,791,125 of the present consolidated earned surplus by providing that the amount that can be expended for the purchase or dividends on stock junior to the preferred shall not exceed the amount of consolidated net income earned since July 31, 1941, less an amount equal to dividends in the annual sinking fund on the preferred stock since that date, by more than $7.5 millions.

Quebec Power Income Higher

Results to End of September Show Gain of Nearly $100,000

Brom Our Own Correspondent

MONTREAL.—Quebec Power Co. reports further improvement in its gross and net operating income

For the three months ended September 30 gross revenue totalled $1,385,037, an increase of approximately $111,000 over the like period of 1940. After providing for expenses, fixed charges and depreciation, net profit, subject to income and excess profits taxes, totalled $374,678. This contrasts with $320,286 for the third quarter of 1940.

Accumulative returns for the nine months ended Sept. 30, 1941, show a gross revenue just short of $3.9 millions, or a little more than $300,000 greater than in the like period of last year. Senior charges showed relatively little change and the net profit for period, subject to income and excess profits taxes, totalled $921,288. This compares with $825,974 to the end of Sept., 1940.

Comparative figures for the third quarter and for the nine months ended Sept. 30, 1941, and 1940 follow:

Income and Expense Account
Three Months Ended Sept. 30

	1941 $	1940 $
Gross revenue	1,385,037	1,274,619
Oper. expenses	811,164	748,009
Net revenue	573,873	526,610
Less: Fixed charges ..	124,195	125,476
Depreciation	75,000	80,848
Net profit*	374,678	320,286

*Subject to income and excess profits taxes.

Nine Months Ended Sept. 30

	1941 $	1940 $
Gross revenue	3,890,894	3,586,234
Oper., taxes & other expenses	2,312,858	2,145,167
	1,578,036	1,441,067
Fixed charges	372,585	376,609
	1,205,451	1,064,458
Provision for deprec. .	284,223	238,484
Net profit*	921,228	825,974

*Subject to income and excess profits taxes.

Fairchild Cuts Its Note Issue

From Our Own Correspondent

MONTREAL.—Fairchild Aircraft Ltd., retired on Oct. 1, 40% of its outstanding 5% convertible note issue. These notes, issued to the extent of $150,000 for plant expansion and to improve working capital were outstanding to an amount of $111,000 on June 30 last. Repayment on Oct. 1, therefore, involved $44,400 leaving a balance of $66,600. This balance is due to be retired at the rate of 20% on Oct. 1, 1942, 1943 and 1944.

The notes are convertible at holder's option at any time on or before Oct. 1, 1944, into capital stock, 20 shares for each $100 note. To the end of June, 1940, $39,000 worth of notes had been converted, but none since owing to market conditions.

At June 30 last 22,200 shares were reserved for conversion following the repayment of 40% on Oct. 1, the amount reserved was reduced to 13,320 shares.

Shells—Airplane Wings

Not only is Massey-Harris Company, Limited the largest manufacturer of farm implements in the British Empire, but is also an important Canadian producer of shells and airplane wings.

In 1940 the Company's earnings, available for bond interest and depreciation, amounted to 5.55 times interest requirements. It is understood that earnings during the current year are showing improvement over 1940.

Massey-Harris Company, Limited
4¼% First (Closed) Mortgage Bonds
Due March 1st, 1954.
Price: 97 and accrued interest, yielding 4.55%.

Additional information furnished upon request.

86 King Street West
Toronto
Telephone: ELgin 4321

Wood, Gundy & Company Limited

Market Opinions

Stock market declines recently have threatened what were regarded as critical support points, but no panic is anticipated by most commentators in spite of their cautious tone.

Barron's, N. Y. (The Trader)—Thus far stocks seem to have engaged merely in a gradual retreat to a new level from which to take fresh appraisal of the adverse war developments. The two big market factors of the past six years, American investment trusts and English investors and speculators, are in no position to make sudden decisions which would violently affect the stock market. American investment trusts for months have pursued a cautious policy and on balance were sellers during the summer rise.

Russian defeats, possible Japanese-American crises, New Deal socialism, price controls, taxes, etc., are the sole topics of conversation in Wall Street. Mass psychology is effecting the same sort of popular delusion that prevailed in early 1933. Defeatism is actually rampant as the Treasury Department announces that the public debt limit, raised from $45 billions only last February, will have to go well above the present $65 billions, and as the administration is formulating a staggering new armament effort.

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Barrons, N. Y. (The Dow Theorist)—Gains made from the lows of last winter and spring up to the middle of the summer have been almost completely retraced. The 1941 lows are threatened and the bear market lows, made in 1940, are being approached again. It is the nearness of the averages to the 1940 lows which is becoming important. If we are seeing the travail of a new bull market these lows will not be broken by both averages — although industrials are much the closer and might break the low by themselves — and the long-term speculator will have an opportunity to buy at particularly attractive prices. This favorable possibility is further emphasized by the fact that the present decline has already lasted 12 weeks which, except in the most serious phases of the bear market, has frequently been the maximum length of movements of secondary proportion. While volume increased on the decline, it did not suggest that a panic was in the making, but rather that a comparatively mild selling climax might be under way.

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Journal of Commerce, N.Y. — Events abroad have produced mild day-to-day flurries in the security markets, but it remains very doubtful that they can bring about major changes in the level of stock quotations. On the other hand, taxes may affect prices of securities profoundly over the next few months.

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Magazine of Wall Street, N. Y.—While reaction possibly may carry a bit further, we think the market is in an opportune range for selective purchases, with the smallest risk probably offered by issues which have held well under the reaction test.

Investors' Chronicle, London (Sept. 27)—It is again apparent that markets are well equipped to withstand unfavorable news and all the better placed to respond readily to any favorable war developments. Consequently, those with funds and confidence are not likely to be inactive for long, and the holder of good-class stocks would appear to be well advised to sit tight and to ignore temporary fluctuations.

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Brookmire Counselor, N. Y.—Clients should maintain a middle-of-the-road policy. Whether the foreign dispatches may bring further adverse war news or increasing involvement or a peace offensive, the cash existing in their active funds will provide a comfortable hedge against these and domestic uncertainties; while well-diversified holdings of sound stocks furnish a stake in existing earnings and dividend opportunities.

Investment Notes

Hayes Steel Products prospects for a dividend on the common shares appear slim in the near future, in spite of the large earnings of last year. The president states that continuing increase in volume makes it necessary to continue to use earnings for additional working capital and plant additions.

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Dome Mines—Jules S. Bache, officer and director, holds 48,950 shares directly, according to Securities & Exchange Commission reports. He transferred all of 67,000 shares from Richmill Bahamas Co. to Wenonah Development Co. His proportionate interest in these companies is not shown.

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Dominion Engineering Works—Received a contract for ordnance totalling $1,576,800 from the Department of Munitions and Supply in the week ended Oct. 7.

The "M" Chart

DID YOU SELL

The Papers at 82.48 Sept. 25th,
The Industrials at 64.2 Oct. 1st,
The Golds at 101.17 Sept. 19th,

Our "M" Chart gave the Signals, it will reverse them when the time arrives to BUY.

Take advantage of our trial offer. Details on request.

The Chart and Market Service Reg'd.
614 St. James St. West, Montreal
Phone PLateau 8171

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870

DEPOSITS ACCEPTED — 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1940), $12,147,569
Capital (Fully Paid), $2,000,000 — Reserve Fund, $2,400,000

TO THE COMMON SHAREHOLDERS
OF
MASSEY-HARRIS COMPANY LIMITED

A Common Shareholders' Protective Committee is in process of organization and we would urge you to:

1. Register your certificates in your own name.
2. Withhold your proxy for further consideration.
3. Write to the Committee for further information.

The undersigned are substantial shareholders each in his own right.

H. G. STAPELLS, K.C., Chairman.
AVERN PARDOE, Financial Counsel

Enquiries should be addressed to the Chairman at 112 Yonge Street, Toronto.

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★ You can free yourself of the burden of looking after your investments by appointing the Toronto General Trusts your Agent to do the work for you. The Corporation will collect interest and dividends, paying them into your account, supervise your securities, advising you of changes affecting them and render statements to you periodically. In the important matter of re-investment, the Corporation will either submit lists of securities for you to choose from or, if you prefer, carry out the investment policy you lay down. It is easy to set up an Agency — a simple form of agreement is all that is required—and easy to terminate one; there are no complicated conditions. Fees are very reasonable. We invite your inquiries.

THE
TORONTO
GENERAL
★TRUSTS★
CORPORATION
Offices in Quebec, Ontario, Western Canada

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Montreal Refrig.	§6%	1947	Dec. 1	par
H. Walker deb.	4¼%	1945	Dec. 9	102
Eastern Car ...	*6%	1952	Jan. 1	105
Dufferin Pav. ...	†5%	....	Nov. 30	105

†A debentures.
*$45,000.
§All outstanding balance. Company will purchase bonds prior to the redemption date at 102, including accrued interest.

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FOR SALE—A 35 H.P. WATER POWER, stone building in center of town of 12,000, near 2 railroads and main highway open the year round, 30 miles north of Montreal. Omer Drouin, St. Jérôme, Qué.

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POSITION open with leading Industrial concern, for capable executive with all-round financial and administrative experience. Must have thorough knowledge of accounting, preferably with Chartered Accountant Certificate, also good working knowledge of Corporation and tax laws, and be capable of handling corporate procedure and keeping Minute Books. Applicant must have good business experience and sound Commercial sense. Box No. 160, The FINANCIAL POST, TORONTO.

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POSITION open with leading Industrial concern manufacturing and selling nationally advertised high quality packaged merchandise. Must be capable, taking complete charge and direction national sales, preferably salesmanager with thorough knowledge and experience sales promotion and advertising. Give full particulars, qualifications and previous experience. Box 162, The FINANCIAL POST, TORONTO.

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YOUNG married man, with business experience and advanced training in statistics, finance, accounting, marketing and economics. Epecially interested in business analysis, government or labour relations, and credits. Good employer references and good address. Box 170, The Financial Post, Toronto.

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Barber-Ellis
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Many smart and distinctive fabrics have now arrived for Fall and Winter wear. Overcoatings — Suitings — Materials for Sport Wear — Evening and Day Dress.

May we have the pleasure of showing you these importations?

Levy Bros.
MAKERS MEN'S CLOTHES
69 KING STREET WEST, TORONTO

Bond Markets

Inflation Fears Lift With New Controls

Effectiveness of New Government Plan Holds Key to Bond Trends and Credit Standing — U. S. Insurance Companies May Buy Stocks

About the time of the Victory Loan offering, financial columns were filled with inflation rumors and fears. At that time, it was suggested in this column that in all probability, the defenses against inflation would be strengthened rather than weakened and that some of the obvious leaks would be closed.

The recent government announcement of wage and price control indicates that inflation, at least as a major factor in investment policy, was perhaps overrated earlier in the year. Final answer to the question will have to await the measure of success for the new controls.

Bond Prices Controlled

Actually, Canadian bond markets have for some years been under the effective control of the Bank of Canada. Acting more as a monitor than as a direct participant in the market's activities, the Bank has seldom been called upon to "support" the bond market in a very extensive manner. For example, the peak in the Bank's long-term bondholdings since the outbreak of war came a year ago, when holdings rose to a little over $150 millions. Currently the holdings are a shade above the $126 millions mark, despite the fact that nearly a billion dollars worth of government securities have come on the market in the past year.

This sort of control is vastly different from the project now contemplated by the Dominion. In the bond markets, it was always possible for the government to increase the supply of bonds available, and in the Bank of Canada it has always been possible to find adequate buying power if bonds became overplentiful. In short, the government has been able, by direct buying or selling, to control the movement of prices. Those movements have always been controlled with reason; there has not been any attempt to dictate prices which did not fit in with current market conditions.

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Influence on Credit

In the general field of business the government control will have to be based on dictated price and wage levels. It will not be able to control levels by buying and selling as in the bond markets.

The success or failure of the programme will have a great influence on the size of Canada's debt, the willingness of the public to subscribe to Victory Loans in the future, and on the position of the investor who currently holds the government obligations.

If living costs break out of the new controls, there is a danger that they will rise the higher for the attempt at control. And if the control takes the form of buying goods at high prices to sell in Canada at low, it is possible that the government losses may seriously influence its credit, at least externally. Canadians have long gone on the assumption that their government's credit standing was unassailable, and it is probable that nothing will be done to weaken that belief.

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U. S. Insurance Rules

Discussions now going forward before a joint committee of the New York Legislature which are to determine whether insurance companies in that state are to be permitted to invest in common stocks. At present the New York companies are restricted to bonds, and with the available supply of first grade bonds limited and only available at extremely low yields, the institutions are seeking additional outlets. United States insurance companies invest about a billion dollars annually.

There may be some connection between these discussions and the soggy action of New York bond prices in recent months. Although the weakness in New York has not been spectacular, it has been fairly persistent and dates back to May. The increase in reserve requirements recently effected in the Federal Reserve system has been generally credited with starting the decline, but it seems unlikely that the influence of the increase would still be felt in the New York market.

Ottawa Finance Betters Budget In Half Year

Lower Deficit Than Anticipated Indicated by Six Months Report

Despite record expenditure in the first six months of the year which began April 1, the Dominion government reports an excess of revenue over expenditure of $17.7 millions.

The unexpectedly good showing was due to a better than budget yield on taxation and expenditure which appear to be running below expectations.

War, the heaviest burden on the taxpayers these days, accounted for $498.5 millions of the $678.5 millions expended for all purposes in the six months period. Yet it represents only 38% of the minimum budget provision for war outlay this year, totalling $1.3 billion.

Ordinary Costs Down

Non-war expenditure in the six months totalled $180 millions, compared with $202.6 millions in the same period last year. Ordinary government costs were fractionally higher than in the same period last year, but there was a marked betterment in relief works and grants, deficits of government enterprises and seed grain advances.

Budget for non-war activities for the full year is $468 millions. The half-year outlay is also 38% of budget expectations.

Sharpest increase in ordinary expenditure was shown in public debt interest charges and in the Dominion department of labor, which increased its expenditures to $2.4 millions from $308,496 in the same period last year. The former increase was due almost entirely to war-swollen debt and the latter to new functions of the labor department in wartime.

Several departments showed lower outlay than last year.

Because of the improved outlook for Ottawa's financial position in the current year, it is probable the budgeted deficit of from $618 to $768 millions will be pared considerably this year. Imposed upon the actual deficit, however, will be the cost of extending aid to Britain, estimated in the budget at $800 to $900 millions.

Revenue and Expenditure
September

Revenue:	1941	1940	Change
	In $000's		
Customs	12,436	10,331	+2,105
Excise duty	10,068	6,,523	+3,545
Excise, sales tax	39,406	21,525	+17,881
Income tax	37,342	11,323	+26,019
Post office	4,040	3,368	+672
Sundry	2,064	1,142	+922
Total	105,356	54,212	+51,144
Expenditure:			
Ordinary	20,334	20,100	+234
Capital	352	381	—29
War	90,688	66,555	+24,133
Relief works, etc.	3,874	5,412	—1,538
Govt. enterprises	33	2,000	—1,967
Sundry	55	1,637	—1,582
Total	115,336	96,085	+19,251

Six Months Ended Sept. 30

Revenue:	1941	1940	Change
	In $000's		
Customs	66,250	62,054	+4,196
Excise duties ..	52,121	42,171	+9,950
Excise, sales tax	201,269	109,888	+91,381
Income tax	343,642	143,172	+200,470
Post office	19,754	16,774	+2,980
Sundry	13,185	9,046	+4,139
Total	696,221	383,105	+313,116
Expenditure:			
Ordinary	170,636	169,193	+1,443
Capital	1,535	1,920	—385
War	498,520	238,810	+259,710
Relief works, etc.	7,417	12,740	—5,323
Govt. enterprises	231	14,939	—14,708
Sundry	153	3,790	—3,637
Total	678,492	441,392	+237,100

Foreign Exchange

During the week Oct. 14 to Oct. 20 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Oct. 20

Australia ...	3.58	N. Zealand .	3.61
India	.3353	S. Africa ...	4.47
HongKong .	.2835		

Bond Tenders

6 p.m., Oct. 27, Village of Chandler, P.Q. —$20,000, 4½% school commission bonds, dated Oct. 1, 1941, redeemable from Apr., 1942 to Apr., 1951. Michael Murphy, sec.-treas.

6 p.m., Oct. 27, Drummondville, P.Q.— $21,000, 4% redeemable serially in 20 years; $10,000 4% redeemable serially in 10 years. Joseph Marier, city clerk.

5 p.m., Oct. 27, Parish of St. Columb de Sillery, P.Q.—$68,900, 4 or 4½%, dated Aug. 1, 1941, maturing in series from Aug. 1, 1942, to Aug. 1, 1961. R. A. Lemieux, sec.-treas.

7 p.m., Oct. 28, East Angus, P.Q.—$90,000, 4%, dated Nov. 1, 1941, maturing in series from Nov. 1, 1942, to Nov. 1, 1961. Anselme Tourigny, sec.-treas.

Nov. 7, Village of Rockcliffe Park, Ont. —$15,400, 3½%, 15 years.

Dufferin Pav. Calls Series A

Funds Derived From Sale of Dufferin Shipbuilding to Government

Notices have gone out to holders of the series A, 5% debentures, due 1955, of Dufferin Paving & Crushed Stone, Ltd., that these securities are being redeemed Nov. 30, 1941, at 105.

At the same time announcement is made by Hon. C. D. Howe, Minister of Munitions and Supply, that the Dufferin Shipbuilding Co., a subsidiary of Dufferin Paving, has been purchased by the Dominion Government. Plans are being laid to enlarge the shipbuilding project at Toronto.

The Government has also purchased the Lake Ontario waterfront property in Toronto of Dufferin Paving, comprising about four acres. This is to be used by the enlarged shipbuilding plant.

Price paid for the Dufferin Shipbuilding property and that bought from Dufferin Paving is stated to be $975,000.

A new Crown company, Toronto Shipbuilding Co., is being formed to take over the Dufferin Shipbuilding project. Officers and directors of the Toronto Shipbuilding Co. are to be:

DESMOND CLARKE, president, Director General of Shipbuilding.

JAMES Y. MURDOCH, K.C., Toronto, president of Noranda Mines.

A. L. BISHOP, Toronto, president of Consumers' Gas Co.

WILLIAM JENOVES, president, Toronto District Trades & Labor Council.

GORDON LEITCH, president of Toronto Elevators Ltd.

R. V. LESUEUR, vice-president of International Petroleum Co.

N. C. Urquhart, of N. C. Urquhart & Co., Toronto.

The announcement from Ottawa states additional naval contracts have been arranged which will keep the plant operating at capacity well into 1943.

A Franceschini Project

Dufferin Shipbuilding Co. was organized by James Franceschini and W. A. Kingsland about two years ago, and was a wholly owned subsidiary of Dufferin Paving. It obtained contracts for construction of mine sweepers from the Canadian government and has completed a number.

When Mr. Franceschini was interned in June last year control of all his operations was taken over by the government. He was later released from internment.

It is understood that funds to redeem the series A debentures came from the sale of the Shipbuilding properties. These debentures were trading a few days ago at 66 to 68. At the beginning of this year there were $1,095,450 of these debentures outstanding. The company also has $1,335,900 of series B 4% debentures outstanding and 62,500 shares of common stock. All the series B debentures and the common are held by Dufferin Construction Co.

Bond Sales

Treasury Bills

Latest sale of Dominion of Canada Treasury Bills brought a fractionally lower average price than its predecessor. For $45 millions, the new issue is dated Oct. 17, payable Jan. 16, 1942, and brought an average price of 99.86516. Yield basis of 0.542% compares with the previous issue sold to yield 0.54%.

* * *

Hamilton, Ont.

Through the firm of Royal Securities, the city of Hamilton has sold $125,000 of 90-day treasury bills on a cost basis to the city of 1%. The new financing is stated to be at the lowest cost basis in Canadian municipal financing.

* * *

Cornwall, Ont.

Cornwall, Ont., announces the private sale to W. C. Pitfield & Co. of $48,000 in 3% installment debentures due Oct. 15, 1942 to 1951, inclusive.

We offer subject to prior sale:-

$75,500.00
SASKATOON
SCHOOL DISTRICT No. 13
4½% INSTALMENT
BONDS

Interest Payable Annually, August 1st.

Principal due as follows:

		Price	Yield
$ 6,750	1947	92.62	6%
13,750	1948	91.62	6%
13,750	1949	90.68	6%
13,750	1950	89.00	6⅛%
13,750	1951	88.11	6⅛%
13,750	1952	87.26	6⅛%

Principal and Interest payable at Imperial Bank in principal cities of Canada

Denominations $750 and $1000

The District is in sound financial condition, has met all debt service payments, including those to sinking fund, when due, and has consistently reduced its net debt by substantial amounts for many years. Tax collections are satisfactory, and a surplus of receipts over expenditures has been shown in each of the past four years.

Additional information will be supplied upon request.

JAMES RICHARDSON & SONS
Est. 1857
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Saskatoon Regina Moose Jaw
Prince Albert

Hiram Walker To Sell Bonds

Public offering in the United States of $15 millions of 1 to 15 year serial debentures is planned by Hiram Walker-Gooderham & Worts and its U. S. subsidiary, Hiram Walker & Sons Inc. The proposal debentures would be payable in U. S. funds and be the joint obligation of the U. S. subsidiary and the parent company, H. C. Hatch, president and chairman states.

Negotiations are in progress with Smith, Barney & Co., prospective underwriters for the debentures, and it is expected that a registration statement will be filed with the Securities & Exchange Commission around Nov. 1.

The company recently called the entire $3.7 millions of its 4¼% convertible debentures for payment on December 9 at 102. The new debentures would be used to finance this redemption and pay bank loans.

They would constitute the only funded debt of the Caenadian or American companies. The subsidiary in Britain, Hiram Walker & Sons (Scotland) Limited has £1.40 million of debenture stock outstanding. This issue is payable in sterling and guaranteed by the parent company.

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Models 25E and 23E. Price $800.00 each. Equipped for accounts receivable or payable with secondary distribution, front feed, automatic spacing, credit balance, proof of clearance key, electric carriage return, and totalizers. 60 cycle. 110 volt. Excellent condition.

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Box 166, The Financial Post, Toronto

DISTILLERS CORPORATION - SEAGRAMS LIMITED

(INCORPORATED UNDER THE COMPANIES ACT, DOMINION OF CANADA)

AND ALL SUBSIDIARY COMPANIES

Officers and Directors

President: SAMUEL BRONFMAN, Montreal
Vice-Presidents: ALLAN BRONFMAN, Montreal. H. F. WILLKIE, Louisville, Ky. JAMES E. FRIEL, New York City, N.Y.
H. F. GLASS, *Comptroller and Secretary-Treasurer*

SAMUEL BRONFMAN	Montreal	ALLAN BRONFMAN	Montreal
HARVEY D. GIBSON	New York City, N.Y.	THOMAS H. MCINNERNEY	New York City, N.Y.
AIME GEOFFRION, K.C.	Montreal	WILLIAM B. CLELAND	Toronto
FRANK R. SCHWENGEL	New York City, N.Y.	H. F. WILLKIE	Louisville, Ky.
JAMES E. FRIEL	New York City, N.Y.		

REPORT OF DIRECTORS

TO THE STOCKHOLDERS:

Your Directors submit herewith their Thirteenth Annual Report of the operations of your Company and its subsidiaries for the fiscal year ended July 31st, 1941, together with the Consolidated Statement of Earned Surplus and Profit and Loss, and Consolidated Balance Sheet as at July 31st, 1941, as certified by your Auditors.

Your Directors deemed it desirable to express our financial statements at July 31st, 1941 in United States currency as we did last year. The following general principles of exchange conversion were applied to items other than those located in or which originate in the United States: inventories on hand and inventory items included in cost of goods sold are stated at the equivalent United States dollar cost at time of production or acquisition; other current assets, unexpired charges and current liabilities at the official rate of the Foreign Exchange Control Board, Ottawa, at July 31st, 1941; additions to capital assets and capital stock during the year and profit and loss items, other than inventory sold, are stated at the prevailing control rates. As a result, a net exchange adjustment of $56,334.51 has been charged against the earnings of the year.

Profits

The consolidated net profits for the fiscal year amounted to $8,110,012.35, equal to $4.17 per share on the Common Stock outstanding July 31st, 1941, after absorbing all advertising and administration expenses and making provision for all accrued taxes, including excess profits taxes, contingencies and dividends on Preferred Stock. This compares with consolidated net profits of $9,716,798.19 in the preceding year equal to $5.08 per share on the Common Stock then outstanding.

It will be noted that before arriving at the profits for the year we have provided $1,000,000 for contingencies. Your Directors considered it reasonable and proper, in view of the uncertain conditions in industry generally, to make such provision.

Dividends

The regular quarterly dividends on the Preferred Stock and four dividends totalling $2.22 per share Canadian currency on the Common Stock were paid during the fiscal year.

Surplus

Two thousand three hundred and thirty (2,330) shares of Preferred Stock of a par value of $233,000 were purchased on the market for sinking fund purposes at a cost of $187,736.29, and that amount has been charged to earned surplus pursuant to the requirements of The Companies Act, Dominion of Canada.

After providing $4,491,694.45 for the afore-mentioned dividends and sinking fund appropriation, the consolidated earned surplus of your Company was increased during the year by $3,618,317.90 to $37,145,450.32. Any distribution of the assets is presently subject to governmental approval under war-time regulations.

Capital Surplus was increased to $1,203,000 by $233,000, representing the par value of Preferred Stock redeemed and cancelled.

Sales

The consolidated net sales of your subsidiary companies amounted to $133,850,357.32. The increase in sales volume was general and was again supported by aggressive advertising and selling campaigns. We have absorbed all these expenses in the cost of the operations for the year.

Finance

Consolidated current working assets, including unexpired insurance, etc. chargeable to future operations, exceeded all liabilities, including long term bank loans by $46,434,125.64, an increase over last year of $2,558,726.61.

Acquisitions and Capital Expenditure

During the year your Company purchased the assets of Browne-Vintners Co. Inc., Wilson Distilling Co. Inc., and the balance of Hunter Distilleries, Inc., not previously owned by your Company.

The account of Land, Buildings, Machinery, etc., was increased during the year by $3,535,007.52, which includes $919,000 representing the acquisition of distilleries operated by Wilson Distilling Co. Inc., at Bristol, Penn., and Hunter Distilleries, Inc., at Baltimore.

Growth of our business and the new brands acquired through the foregoing acquisitions made it advisable to lay down additional stocks of whisky for maturing purposes in order to protect our brands in future years, and also to erect additional warehouses at Louisville, Lawrenceburg and Baltimore, to house inventories.

The bottling house at Louisville was completed during the year, and additional machinery and equipment was added to the still house and dried grain buildings. Other additions were made in improving our Lawrenceburg, Relay and Canadian plants. All our plants have been maintained at the highest degree of efficiency.

Trade-Marks, Contracts and Goodwill

The increase in Trade-Marks, Contracts and Goodwill account of $1,035,090.69 represents the acquisition of the goodwill of the valuable brands and contracts taken over from Wilson Distilling Co. Inc., Hunter Distilleries, Inc., and Browne-Vintners Co. Inc.

Capital Structure

The total outstanding Preferred Stock at July 31st, 1941, was 157,970 shares, having been reduced by 2,330 shares purchased and cancelled during the year for sinking fund requirements.

An option granted in 1936 to an officer of a United States subsidiary company to purchase 10,000 shares of Common Stock at $22.00 per share Canadian currency was exercised during the year to the extent of 200 shares, and the option on the remaining 9.800 shares was renewed for another year.

Your Directors are pleased to again record their appreciation of the loyalty and faithful sevice of all the officials and employees of the Company.

ON BEHALF OF THE BOARD OF DIRECTORS,
S. BRONFMAN,
President.

Montreal, October 2nd, 1941.

Consolidated Statement of Earned Surplus and Profit and Loss for the Year ending July 31, 1941

(EXPRESSED IN UNITED STATES CURRENCY)

Earned surplus, balance July 31, 1940			$33,527,132.42
Sales, less freight and allowances		$133,850,357.32	
Less: Cost of goods sold		100,168,528.72	
		$33,681,828.60	
Miscellaneous income, discounts, etc.		243,056.79	
		$ 33,924,885.39	
Selling, general and administrative expenses	$19,100,157.97		
Directors' remuneration	21,000.00		
Salaries of executives including those of subsidiary companies	471,683.65		
Legal fees	311,405.19		
Interest (net)	445,995.48		
Provision for depreciation (see footnote)	185,150.37		
Amortization of contracts	42,168.00		
Loss on disposal of capital assets	136,643.94		
Loss on investments	1,019.14		
		20,715,223.74	
Profit before provision for income and profits taxes, contingencies and exchange adjustments		$ 13,209,661.65	
Provision for income and profits taxes (including Canadian and United States excess profits taxes of approximately $649,000.00)		4,043,314.79	
		$ 9,166,346.86	
Provision for contingencies	$ 1,000,000.00		
Provision for exchange adjustments	56,334.51		
		1,056,334.51	
Balance of profits for the year ending July 31, 1941			8,110,012.35
			$41,637,144.77
Deduct:			
Dividends on Cumulative Preferred Stock 5% Series		$ 798,587.50	
Dividends on Common Stock (Canadian $3,890,965.32)		3,505,370.66	
Appropriated for retirement of Preferred Stock 5% Series		187,736.29	
			4,491,694.45
Earned surplus at July 31, 1941, per balance sheet			$37,145,450.32

Note: Depreciation provided during the year amounted to $1,346,340.09 of which $1,161,189.72 has been charged to cost of production and $185,150.37 as above.

Consolidated Balance Sheet, July 31, 1941

(EXPRESSED IN UNITED STATES CURRENCY)

ASSETS

Current Assets:		
Cash in banks and on hand	$ 3,930,552.13	
Accounts receivable after providing reserves of $1,318,738.87 for doubtful accounts	25,817,305.18	
Canadian Government bonds (at market quotations $535,923.00)	538,963.43	
Inventories of whiskies and spirits as shown by Government records, warehouse reports and physical inventories, valued at cost including duty, taxes and freight where such have been paid, and inventories of raw materials and supplies at cost of purchase	50,116,290.61	
		$80,403,111.35
Unexpired Insurance and Other Items Chargeable to Future Operations		851,642.39
Sundry Investments and Advances		263,988.41
Land and Buildings, Plant, Machinery and Equipment, at cost with the exception of certain properties which are carried at depreciated reproductive appraisal values of $888,192.51 as determined by the Canadian Appraisal Company Limited at November 1, 1926 plus subsequent additions at cost	$24,321,920.93	
Less: Reserves for depreciation and amortization	7,792,409.41	
		16,529,511.52
Trade-Marks, Bottling and Blending Rights, Contracts and Goodwill, stated at the excess of the declared value of 1,500,000 shares of Distillers Corporation-Seagrams Limited issued in March, 1928, in exchange for the entire issued capital of Joseph E. Seagram & Sons, Limited and Distillers Corporation Limited over the net tangible assets of those companies as shown by their books at the date of the exchange, plus subsequent additions		11,726,263.61
		$109,774,517.28

LIABILITIES

Current Liabilities:		
Notes payable to banks	$15,500,000.00	
Accounts payable and accrued liabilities	4,485,492.68	
Dividend on Cumulative Preferred Stock, payable August 1, 1941	198,125.00	
Provision for Federal, Provincial, State and Municipal taxes in Canada and the United States	6,620,225.45	
		$26,803,843.13
Advances under Bank Credit Agreements Maturing 1943-1946		8,016,784.97
Deferred Credits to Future Operations in respect of grain futures contracts (the aggregate amount of purchase contracts was $3,261,443.00 market value, less credits received, $3,414,797.00)		403,850.11
Reserve for Contingencies		1,000,000.00
Capital Stock:		
Cumulative Preferred Stock:		
Authorized—200,000 shares of Cumulative Preferred Stock of the par value of $100.00 each United States currency	$20,000,000.00	
Issued—Cumulative Preferred Stock 5% Series of the par value of $100.00 each United States currency, redeemable at the option of the Board of Directors at $105.00 per share United States currency:		
170,000 shares issued	$17,000,000.00	
9,700 shares redeemed to July 31, 1940	970,000.00	
160,300 shares	$16,030,000.00	
2,330 shares redeemed during the year ending July 31, 1941	233,000.00	
157,970 shares outstanding		15,797,000.00
Common Stock, without nominal or par value:		
Authorized—2,300,000 shares		
Issued:		
1,752,645 shares issued as at July 31, 1940	$19,400,624.79	
200 shares issued during the year ending July 31, 1941 under options ($22.00 per share in Canadian currency)	3,963.96	
1,752,845 shares outstanding		19,404,588.75
NOTE: An option eovering 9,800 shares of Common Stock at $22.00 per share (Canadian currency) was granted to an officer of a United States subsidiary company. Warrants to purchase until October 31, 1941, 157,970 shares of Common Stock at $32.00 per share (United States currency) have been issued to the holders of the Cumulative Preferred Stock 5% Series.		
Surplus:		
Capital surplus arising from the redemption of Cumulative Preferred Stock 5% Series	$ 1,203,000.00	
Earned surplus, as per statement attached	37,145,450.32	
		38,348,450.32
		$109,774,517.28

NOTE: No provision has been made in the financial statements for possible taxes that may ultimately be payable in connection with the distribution to the Parent Company of dividends out of the undistributed surpluses of the United States subsidiary companies. The necessity for a complete distribution of these surpluses may never arise and the policy will be continued of providing for such taxes as may arise in the fiscal year in which dividends are paid to the Parent Company.

Approved on Behalf of the Board:

S. BRONFMAN, Director.
H. F. WILLKIE, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the consolidated balance sheet of Distillers Corporation-Seagrams Limited and its subsidiary companies as at July 31, 1941, and the consolidated statement of earned surplus and profit and loss for the fiscal year ending on that date. In connection therewith, we have reviewed the system of internal control and the accounting procedures of the companies and, without making a detailed audit of the transactions, have examined or tested accounting records of the companies and other supporting evidence, by methods and to the extent we deemed appropriate, and have obtained all the information and explanations which we required. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

In the consolidated accounts for the year ending July 31, 1940, expenditures aggregating approximately $1,400,000, which were of a nature similar to expenditures in the current year treated in the accompanying consolidated accounts as allowances and deducted from consolidated sales, were included in selling, general and administrative expenses.

We report that, in our opinion, the attached consolidated balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of Distillers Corporation-Seagrams Limited and its subsidiary companies as at July 31, 1941, and the attached statement of consolidated earned surplus and profit and loss sets forth the results of operations for the year ending on that date, according to the best of our information and the explanations given to us and as shown by the books of the companies and in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change in classification indicated in the preceding paragraph, which we approve.

We have also reviewed the section of the Report of Directors relating to the general principles of exchange conversion applied to items, other than those in United States currency and that relating to the Surplus of the Company and, in our opinion, the statements contained therein are correct.

Montreal, Canada, October 2, 1941.

PRICE, WATERHOUSE & CO. Auditors.

The Editorial Page . . .

Gladly Pull In Our Belts

Prime Minister King has asked us to pull in our belts, to cut down our consumption of civilian goods and services so that more production will be available for war. Mr. King's plea has been accompanied by a further tightening of restrictions on the manufacture of non-war materials, by curbs on installment selling, by official "ceilings" on wage and price levels, by solemn warnings of further tax increases to come.

Such a drastic reorientation in the national economy cannot be carried out without stepping on somebody's toes. But there has been no complaint, not even from those people and those industries which were directly and vitally affected by the latest decrees. No one, least of all the Prime Minister himself, pretends to believe that these restrictions are not going to hurt. They are in exactly the same category as a surgical operation, painful but necessary.

Canadians are facing these sacrifices willingly, simply because they would rather restrict their standards of living temporarily now than face much more serious restrictions permanently later on. They realize that if Hitler won, our generous pre-war standard of the good things of life would be gone forever. Even if there was no actual Nazi invasion of this continent, they realize that until the inevitable show-down, all our efforts, all our production would be channeled into western hemisphere defense. There would be scanty leavings above the bare necessities of life, nothing for luxuries, nothing for leisure, nothing for culture.

Enforce and Enlighten

Success of the government's attempt to freeze prices and wages depends on two factors—enlightenment and enforcement. Since the beginning of the war the government has devised a number of similar policies. They have failed, simply because they were not enforced, but they might have been effective had the public been fully informed on their necessity and importance.

When the government sets a ceiling on prices and wages, there are two things which must be done if we are to make available an adequate supply of essential materials for the war effort and to keep inflation down. In the first place, the government must take whatever steps are necessary to tell the people the seriousness of the situation and what they must do. We have long since passed the stage when a policy can be put in force with an Order-in-Council and two or three Canadian Club speeches. The policy of the government must be told and retold, until there is no question in the minds of the people what is expected of them.

The second factor is enforcement.

The tendency of the government todate in carrying out its war policy is to centralize control at Ottawa. This may be necessary for certain phases. On a matter of prices and wages, affecting every individual in the country, centralization of enforcement is not only impracticable, but an assurance of the utter breakdown of the policy. Such a broad policy as has been outlined by the Prime Minister can only be enforced by decentralizing authority. Otherwise we will have a "black market" in this country such as has developed in Britain and elsewhere where major restrictions are imposed. The problem of enforcement is one that can be met successfully by using the enforcement machinery which is at hand, namely, the provincial and municipal authorities.

The ceiling on prices and wages had to come. We cannot have it fail. The only way to ensure its success is through educating the public to its necessity and enforcement through decentralization rather than centralization of authority.

Arvida — A Wartime Lesson

The Canadian public will be relieved to learn that there was no "developed sabotage" in connection with the recent Arvida aluminum tie-up. The Royal Commission which investigated the five-day strike, during which an estimated 32 million pounds of aluminum output was lost, reports that no deliberate halt in production was planned. At the time ugly reports of subversive action were circulated the most serious of these coming from the head of the Department of Munitions and Supply.

Conclusion, reached by the Royal Commissioners, Mr. Justice Severin Letourneau and Mr. Justice W. L. Bond, of the Quebec Court of Appeal, declared:

> "There was no trace of latent or developed 'sabotage' in the sense of hostile or subversive influence, apparent at any time. The strike was one relating to labor conditions and pay, and which might have been avoided possibly had there been better provision against such an emergency. The strike itself, however, is to be severely condemned by reason of its illegality and the grave damage which resulted from the serious diminution in the production of war material."

But while no Hitler fifth columnist was responsible for this halt in the output of a vital commodity, actual results were exactly the same. There was a grave interruption of Canada's war effort, just as serious as if some enemy agent had dynamited a major power line, a mine head or a main railway bridge.

There will be some salvage from the loss, if labor and industry regard the Arvida tie-up as an example of something that must be continuously guarded against in future. The Royal Commissioners in their evidence have made it abundantly clear that dissatisfaction between employer and employees had been allowed to smoulder. There was, apparently, no machinery for dealing with this dissatisfaction promptly. The causes of the strike were in themselves picayune and could have been corrected easily had a closer relationship existed between employer and employee.

It should not be assumed that the company was wholly to blame. It would be just as much an error to think that, as it was, to accuse the workers of sabotage. The aluminum industry has expanded at a tremendous rate in the last three years. The management was given the Herculean task of getting production with the minimum of delay. This it did, but in doing so the matter of employee relations was relegated to the background with most unfortunate results. Under more normal circumstances this state of affairs might never have arisen.

The employee, in turn, is not entirely free of blame. He had no right to carry out an illegal strike. There may have been provocation. At the same time the needs of the country came first and the complaints should have been carried through the regular channels set up for that purpose by the government.

The Commission's report is one that should be read by every business man in this country. It makes the incontestable point that in order to achieve the maximum war effort there must be the closest of co-operation between employer and employee.

Labor Should Purge Its Ranks

Canadian labor, tempted by the suggestion of imported trouble-makers that it use the present crisis as a stepping stone for selfish gain, might well heed the example offered in Great Britain. There, as George Drew pointed out in his recent broadcast, the output of all kinds of war materials is mounting at an astonishing rate. Britain, he said, is organized as no democracy has ever been organized before. There you really see democracy on the march.

While labor under Hitler has lost every single one of its pre-war privileges, in Britain the unions are bigger in actual power and public prestige than ever before. Early in the war a joint committee of British labor and employers passed a unanimous recommendation that there should be no stoppage of production under any circumstances, a virtual and voluntary ban on strikes and lockouts for the duration of the war. Ernest Bevin, British Minister of National Services and Labor told Colonel Drew that labor had been fully protected in this patriotic stand and because of its participation in it has greatly grown in the esteem of the general public and in its own strength.

On this continent both employers and labor must realize that they can get together and determine to keep war production moving without any loss of power. In Canada, labor union organizers are naturally concerned about their rights and privileges, but they must know that those rights and privileges will mean absolutely nothing to them or to the workers they represent unless Hitler and Nazism are completely defeated. By giving their full co-operation in the present crisis, they will greatly strengthen their position now, and in the critical postwar period ahead, because they will be backed by public opinion. Surveys show unmistakably that they lost seriously in this respect by the outbreak of strikes which threatened to strangle the war efforts both of Canada and the United States a few weeks ago.

Most of the leading labor leaders in Canada have deplored these strikes. They realize that they were a mistake, a blot on our war record and a loss just as real and grievous as a major military or naval reverse. The strikes were not their work but were generated by imported fifth columnists who regard the life and struggle of democracy merely as a golden opportunity for increasing their own personal power and wealth. Responsible labor leaders should take the lead in purging their movement of this subversive influence.

Editorials in Brief

A new high in political apathy seems to have been established in both British Columbia and Nova Scotia where provincial election campaigns ended this week. Outside the two provinces concerned we doubt whether a handful of Canadians would be able to name the leaders of the various parties running for office.

• • •

Six hundred Dover school children went back to their studies this week after a war holiday of 16 months, reads a cable from Great Britain. Here just across the 20-mile Straits from Hitler's coastal guns, his stalled armies and his massed aircraft, schools are reopening — convincing proof that invasion fears are over for this season at least.

• • •

When statesmen the world over are looking round for ways and means of financing the world's costliest war why have they not called on William Aberhart of Alberta? That question apparently has been bothering the Edmonton Spotlight also but after an investigation its editors came to this conclusion:

> "The real fact is that Aberhart, despite his loud talk, hasn't got a workable solution for the country's economic difficulties. If he had the world would have been making a beaten path to his door long ago."

• • •

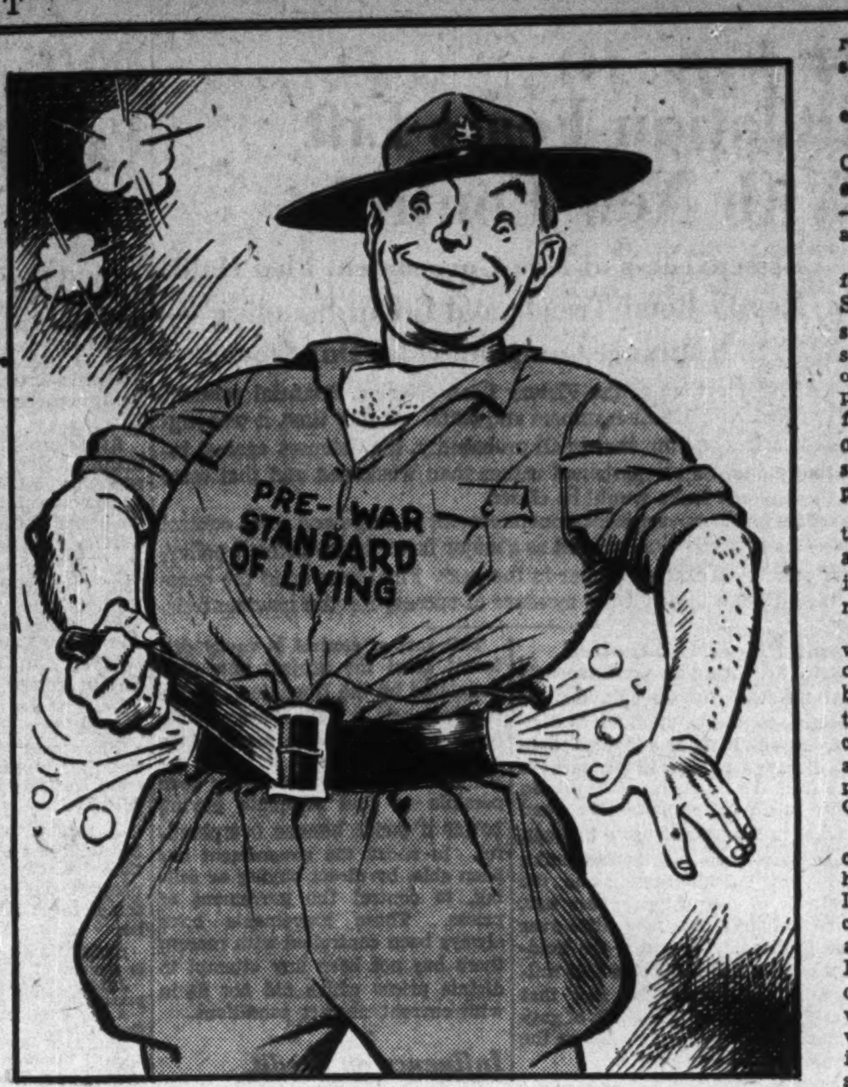
Canada has now sufficient machine tools on hand to take care of any war order from Britain, Machine Tool Controller Arnold told a Toronto audience last week. Presumably, too, in Mr. Arnold's opinion there are sufficient tools on hand or available from Canadian plants to handle all Canadian war orders also because he further stated that it was immaterial whether "we never get another tool in this country."

In view of the shortage even up to a year ago, this is excellent news indeed. Before a single shell or gun or plane can be turned out the machine tools to build it must be provided. We hope the authorities have not been too optimistic regarding the present situation and there will be no need for rueful revision later on.

• • •

Following full page friendly invitations in U.S. publications to Americans to visit Canada last summer, the T. Eaton Company is now making a wider appeal to the same audience to come up here for their fall hunting. Using the quiz technique the leading game, animals and birds of the Dominion are pictured. Readers are invited to send for an attractive illustrated booklet telling the prospective hunter all about our game laws, seasons, camping requirements, etc.

While "Eatons of Canada" sponsor this publicity and undoubtedly will get some direct benefit, at the same time the whole tourist industry of Canada and through it, our vital war effort, gains still more. This is international advertising of a very high order.



—Cartoon by Grassick.

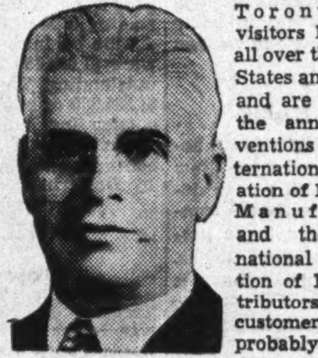
MORE GUNS — LESS BUTTER

"We must face the fact that there are not enough men; there are not enough machines; there are not enough materials to meet the demands of consumers and the needs of war. Since the government, with the full support of the Canadian people, is determined to maintain and to intensify the war effort, we have no choice but to reduce our consumption of goods. To us, too, has come the choice between guns and butter."—*Prime Minister Mackenzie King in radio broadcast announcing overall ceiling on wages and prices.*

Post-Scripts . .

Visiting Dairymen

Two exceedingly busy men this week are Morden Neilson and J. H. Duplan, hosts to about 12,000 visiting manufacturing dairymen in Toronto. These visitors hail from all over the United States and Canada and are attending the annual conventions of the International Association of Ice Cream Manufacturers and the International Association of Milk Distributors. Their customers number probably 75% of the people of North America.



MORDEN NEILSON

The last time this joint convention was held in Canada was back in the boom days of 1929. Then about the only problem was ordinary production for domestic requirements. Now the big emphasis is on special requirements for the armed forces and the allocation of vital dairy supplies for Great Britain. Delegates have been devising ways and means of shipping more processed milk, more cheese and butter to Great Britain. All three items must come out of the common milk supply of Canada and the United States and it has been a big problem to divert enough for this special purpose without seriously interupting the steady flow of milk and ice cream to the ordinary civilian consumer.

In conjunction with the joint convention there is also a 2½ acre display of industrial dairy equipment. This features the most modern machinery for manufacturing all the versatile products that come from milk.

J. H. DUPLAN

Morden Neilson is the head of William Neilson Ltd., he having succeeded his late father to that position in 1912. Morden Neilson is described as dynamic personality, an outstanding international figure in the manufacturing dairy world. Mr. Duplan, managing director of Silverwood Dairies Ltd., has been with the company for almost 20 years. Both men are directors of the two international associations which are holding the present joint convention.

• • •

Beaver Paints Stalin

The outside world including the German Army has been amazed at the fighting powers of Russia. But the reason for this amazement was simple. The outside world, again including the German Army, knew little about the new Russian war organization and the man chiefly responsible for creating it, Joseph Stalin.

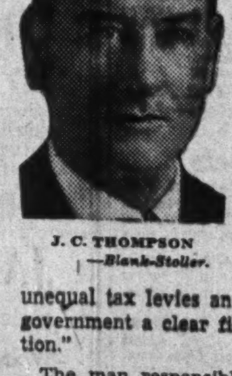
In his recent broadcast from London, Lord Beaverbrook painted a remarkable picture of the Soviet dictator with whom he was in intimate contact during the British Mission to Moscow a few days ago. Said the Beaver:

> "Is he an easy man to satisfy? Not so. He is an exacting man, even though he does not look it. He is short of stature, well dressed. There is nothing slovenly about him. He is always ready to laugh, quick to see a joke and willing to make one. His eyes are alert; his face quickly reflects his emotions. Gloom and joy are marked therein.
>
> "His countenance lights up with pleasure when a word of assurance is given. He is a judge of values and his knowledge of armament is vast and wide, comparable only to that of our own prime minister.
>
> "And here let me say that in all my experience I have never before known another man whose knowledge and understanding of the munitions of war could compare with Churchill's."

• • •

Man Behind the Figures

In almost every province of Canada, accountants, comptrollers and provincial treasurers are poring over columns of figures and statistics to see what sort of a "deal" they can make with the federal government in respect of personal and corporation income taxes. You remember a few weeks ago, many of these officials came to Ottawa personally to talk over this enormous tax deal with federal authorities. The aim is to clear the decks of overlapping and unequal tax levies and give the central government a clear field "for the duration."



J. C. THOMPSON

—Blank-Stoller.

The man responsible for the figures on which all these individual proposals are based, is James C. Thompson, C.A., who recently set up in business for himself in Montreal after being for five years resident manager in that city for Clarkson, Gordon, Dilworth & Nash.

Mr. Thompson is Canada's top-ranking expert in public accounts.

His claim to fame is that he has given Canada something which no other federation in the world has ever achieved —a completely comparable set of public accounts.

Mr. Thompson first tackled the job for Canada at the request of the Rowell-Sirois Commission in August, 1937. He sat down with a drafting board, a T-square and pencil and paper to figure out the "model" to which he wanted all provincial and federal accounts to conform. The questionnaires—huge as an office desk pad and bristling with thousands of carefully-posed queries, were printed and issued six weeks later.

There has been no single change since then, in this basic framework on which all Canada's public accounts (nine provinces and the federal government) are now compiled.

These were the basic fiscal facts on which the Rowell-Sirois studies and recommendations were made. They were brought up-to-date by Mr. Thompson at the time of the ill-fated federal provincial conference last January. They were again revised by him a few weeks ago prior to the provincial pilgrimage to Ottawa.

James Thompson was born near Newcastle-on-Tyne. His father died when he was a youngster so he travelled to London and was brought up and educated by an aunt. He came to Canada at age 16 and went west to Edmonton. He worked for the C. P. R., for the Bank of Montreal as a junior clerk, and for the wholesale house of Ross Bros. Ltd., in various clerical and accounting capacities. He liked the accounting game, so set to work to pass some exams. In 1914, just before the war broke out, he passed the intermediate examination of the Alberta Institute.

The next four years were spent overseas. He enlisted as a private with the 49th battalion, rose to be a junior lieutenant. In 1918, he transferred to the air force and was well on his way to being a full-fledged pilot when war ended.

The day after he got home to Edmonton, he was an accountant once more—this time with the firm of Harvey, Richardson, Cole and Robertson. The following year he passed his final accountancy exam with honors and the gold medal.

After marrying Constance Potter of Edmonton in 1922 he set off for New York to join the world-famous Touche organization. A year later he was asked by the U.F.A. government in Alberta to return as provincial auditor. He held that job for 12½ years during which time he completely reorganized the accounting and auditing system of the province—a system later described by a special Bank of Canada enquiry committee as a model in Canadian public finance.

In 1936, an offer from the Clarkson firm to take over the management of their Montreal office seemed more attractive than a further tenure in public service. He was admitted to partnership in the firm in 1939.

From August, 1937, to May, 1940, he was on loan to the government as Director of the Public Accounts Enquiry for the Rowell-Sirois Commission. He has also been employed in a consultative capacity by the Quebec, Manitoba and New Brunswick governments and last year undertook a special analysis for his firm of the Canadian Broadcasting Corporation at the request of the Board of Governors.

• • •

Dual Reputation

Mr. Justice Hyndman, recently named Rentals Administrator for the Wartime Prices and Trade Board, is in the unusual position of being termed both a "westerner" and an "easterner." He is one who "has made good" at both ends of the Dominion of Canada.

Born in Charlottetown, P.E.I., and made a member of the bar in that city, James Duncan Hyndman was labelled "easterner" when he came west to Winnipeg. That was immediately after he became a lawyer in 1899.

After building up a nation-wide legal reputation in Edmonton, he also became known as a successful "westerner." Up to the time of his appointment as chairman of the pensions appeal court in Ottawa, Mr. Justice Hyndman had spent 32 years in the west.

Mr. Hyndman left a successful legal practice in Manitoba to come to Edmonton in 1903. He immediately set about establishing himself in his profession in the foothills province and in July, 1914, he was appointed to the Supreme Court of Alberta. Seven years later he was elevated to the appellate division.

His education he acquired in his home city of Charlottetown, graduating from Prince of Wales College there.

Mr. Justice Hyndman was active in political circles in Edmonton's early days. He unsuccessfully contested federal and provincial ridings as a Conservative in 1909 and 1913. He served as an alderman in Edmonton in 1910-11.

In 1902 Mr. Hyndman married Miss Ethel Davies, a daughter of the late Sir Louis Davies, at one time a member of the Sir Wilfrid Laurier cabinet and before his death chief justice of the supreme court of Canada.

The new administrator, when he lived in Edmonton, was fond of golf and billiards and claimed both of these as hobbies.

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Other People's Views . . . . . .

The Canadian Editorial of the Week

It Cannot Be Done

Simcoe Reformer

It is clear that there will be compulsory selective service neither for war industry nor for the army, so long as the King government remains in power. The influence of men like Hon. Ernest Lapointe and Hon. Thomas Crerar still dictates the government's policy. They are trying to wage a total war against the most powerfully armed nation in the world on a voluntary basis. They believe that an adequate army can be raised by this system, that full co-operation of labor can be obtained and that the civilian population will voluntarily adopt a plan of self-sacrifice and self-abnegation in the common cause.

It cannot be done.

The gradual decline of War Savings purchases, the failure to reduce gasoline consumption by the required percentage and the mad orgy of consumer spending all go to show that compulsion alone will achieve results.

Precious months are melting into years as we fiddle about with one or another form of voluntary effort. The spasmodic and haphazard nature of recruiting for the armed forces is but one phase of the broader voluntary programme which has proved sadly ineffective to marshal Canada's full resources to meet the impending crisis.

It is time that an end was put to the anomaly which permits one cabinet minister to appear on the public platform and tell the public that a large Canadian army is not necessary to defeat the foe, while another cabinet minister is pleading for "men and more men." It is the kind of thing that breeds lack of confidence and unrest such as have undermined many a European nation in the present struggle.

• • •

As Others See Us

Youthful Fire Needed

Trail News

Criticizing Prime Minister King for the government's handling of the strike situation, The Financial Post refers to the prime minister's writings during the last war on the labor situation. The Post takes the attitude that Mr. Mackenzie King's stand at that time was much stronger than it is now when it is most needed.

Surely it cannot be that he has softened in his attitude toward this vital problem but Canada, in general, would like to see more of the spirit displayed by him 23 years ago.

• • •

B. C. Sets Example

Victoria Times, B.C.

Canada's influential Financial Post has not been noted for the bouquets it has presented to governments — particularly those presided over by Mr. Mackenzie King and our own Premier Pattullo.

The current issue of The Post, however, turns its attention to British Columbia in an editorial headed "B. C. Sets Example." It states:

> "The present peak of business activity in the province could easily be the excuse for heavy spending. Provincial credit is at the best level in many years. The revenues for 1941 were the highest in British Columbia's history.
>
> "Instead of borrowing, the Pattullo government has cut its net debt $5.5 millions in the past year. British Columbia was the first province to accept the Ilsley proposal for surrender of income taxes.
>
> "In so doing the province has forsworn a wartime spending spree on capital account."

Nothing Hon. John Hart, British Columbia's able Minister of Finance, might feel emboldened to say on his own behalf could be more to the point than the foregoing from the Dominion's chief journalistic critic of finance and financing.

• • •

Source of Pride

Guelph Mercury

The launching of the Fort Ville-Marie, first of one hundred and fifty freighters ordered to be built in the Dominion shipyards by the British government, brings to mind the splendid part that the Canadian navy and Canadian shipping have played in the present war.

The whole achievement is a worthy complement to the deeds of the Canadian navy. According to statistics offered by The Financial Post, the Canadian navy, which five or six years ago could boast only four destroyers, two of them obsolete, and a handful of smaller craft, now has in active operation more than 250 vessels and is steadily building up the fleet toward a total of over four hundred ships by next spring.

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A Job For the Censor

Charlottetown Guardian

This example of "how rumors start" is given in The Financial Post. A couple of weeks ago Premier Hepburn was in New York. He lunched with a Chase National Bank vice-president. Someone asked a policeman (part of the motorcycle escort from LaGuardia Field) who was the "big shot" meeting the bankers. The cop said, "The Prime Minister of Canada." In an hour Wall Street gossip had it that Canada was planning a big loan in New York.

Fancy the commotion "Mitch" must have raised on being mistaken for—of all persons—Mackenzie King! His language wouldn't have a ghost of a chance of getting past the censor. The New York papers boast of publishing "all the news that's fit to print," but we imagine the Ontario Liberal Premier would require more latitude than that on such an occasion.

• • •

Seaway After the War

Strathroy Age-Dispatch

The Financial Post, discusses the all-important question of transition from a war to a peacetime economy, when the job of putting an end to the world domination dreams of the Axis powers has been successfully achieved.

In this regard might we point out that the St. Lawrence waterway plan would be a fine contribution to a programme aimed at helping to bridge over the usual gap between war and peace. It would provide a tremendous volume of employment at a time when it would undoubtedly be most welcome.

This is in contrast to any attempt to undertake it at the present time when the employment and the materials are urgently required for the war effort. If the need develops for increased supplies of electrical energy, steam plants which could be much more rapidly constructed would be the solution, rather than the St. Lawrence plan, from which no power could be expected for years.

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To Find Sufficient Men

Sault Ste. Marie Star

"There is no reason for the word conscription to frighten anyone half as much as the alternative, which is the grave risk of losing the war," says the Toronto Financial Post in discussing a subject which has been coming more and more to the fore.

It is pointed out that Canada is getting very close to full employment of its resources of man power and that the prospect is that it is going to be increasingly difficult to find sufficient men for the fighting services and at the same time sufficient men and women to handle the expanding load of war production. It is estimated, for example, that an additional half million men will be required in Canada for the army, the navy and the air force, while perhaps as many additional workers will be needed for the production of munitions and supplies of all kinds. Where are they all to come from?

With this in mind the Financial Post advocates first a survey of the resources of manpower and then conscription to make possible a proper distribution of that man power to meet all needs.

In Canada at the present time even the limited draft which calls up men for four months training is beginning to cause some difficulty in connection with the operation of plants engaged on war work by calling out men on key jobs and it is obvious that the whole question needs to be thoroughly examined.

• • •

Stop Me If . . . .

The golfer stepped up to the tee and drove off. The ball sailed straight down the fairway, leaped on to the green, dived into the hole.

"What have you suddenly gone crazy about?" asked the golfer's wife, who was trying to learn something about the game.

"Why, I just did a hole in one!" yelled the golfer, a wild gleam in his eyes.

"Did you?" said his wife, placidly. "Do it again, dear, I didn't see you."

Sayings of the Week

"This war is becoming a war of exhaustion and the Germans are being exhausted."—*H. G. Wells.*

• • •

"If we in England pursue a foreign policy that involves the Empire in war, then Canada has a duty as well as a right to speak strongly." — *Beverley Baxter.*

• • •

"The same romance, the same push and the same effort, the same drive should be put into the army reorganization that has characterized the British Commonwealth Air Training scheme."—*C. L. Burton.*

• • •

"Canada will shoot the works once it is brought home that it will be necessary in order to win the war."—*Wm. R. Matthews, publisher Arizona Daily Star in letter to New York Times.*

• • •

"I am instructed to pledge you (the Russian people), the very fullest support today, tomorrow, and as long as the struggle lasts and until ultimate victory comes."—*W. Averell Harriman, chief of the American Mission to Russia.*

• • •

"A distinguished British General told me that the Canadian Corps, in its men, officers, and command, is the finest and best equipped military force that has ever assembled to fight for Britain."—*W. E. Gladstone Murray, just back from a two months tour of Britain.*

• • •

"I don't care whether we never get another tool in this country. We can switch our tools around and fill any order Britain may give us. We have spent millions of dollars this last summer."—*Thomas Arnold, Machine Tool Controller for Canada.*

• • •

"It suits us perfectly that Canada will be linked to the British Crown. That Crown is, for us, as for all other Canadians, the finest guarantee of liberty and dignity. It is also the guarantee of our right to worship God in French, as is our wish."—*Adelard Godbout, Premier of Quebec.*

Zippers Out For 1942's Pants

Kid Gloves Also Out in War Styles

Although changes in men's clothing are undoubtedly under way because of the war it is considered unlikely they will be very noticeable by next spring. Such changes as will be at all drastic will be in accessories rather than in suitings or overcoats enquiry by The Financial Post reveals.

War has laid heavy burdens on the textile industry both in Canada and the United Kingdom from where we get most of our imported woollens. But in spite of the task of supplying uniforms for millions of men in the fighting services, no great shortage of woollen suitings is threatened. There will, however, be a tendency to fewer and more conservative patterns. Fancy patterns will become scarcer as time passes. But the customary types of serges and worsteds will be available in good quantity. Imported British goods are still coming across the Atlantic in substantial volume.

Wool the Basic Material

Wool is the basic material from which suits are made and under agreement with the British authorities no real shortage of wool for civilian needs is anticipated in Canada although prices are higher owing to increased shipping charges, insurance rates etc. Labor costs of weaving are also higher.

Styles generally are not expected to show much change. Predictions in the United States that men's suit coats will be about four inches shorter and that coats will not be belted nor trousers pleated are received with reserve among Canadian clothing dealers. Men's styles even in wartime are slow to change and while the need of saving cloth may become an urgent factor in coming months, present indications are that custom will for the present continue to be the main influence.

Nor does there seem to be any general desire to do away with vests although some clothing manufacturers in the United States predict such a move. Speaking of this, one Canadian clothing man stated emphatically that Canada was inclined more and more to develop and maintain her own style standards, although keeping an eye open for style trends in both Britain and the United States.

Zippers out for Wartime

Zippers on trousers are going out and in time will probably disappear for the duration of the war, except where clothing manufacturers have bought ahead. Need of conserving metal for war purposes is the reason. The same consideration is checking the use of metal buttons. Bone and synthetic buttons will be used instead.

Ties, shirts and socks like suitings will tend to more conservative patterns and away from intricate and pronounced designs.

Shoes will probably follow the same pattern as those worn this year. Manufacturers will be forced to use the same lasts to a marked degree. Here again the tendency will be toward a smaller number of standard models.

In gloves there will be a scarcity of kid gloves except where some merchants happened to have had large stocks on hand when France and Belgium fell.

Hats appear to be affected as little as anything among men's accessories. Substitute materials have made it possible to a large extent to keep patterns and colors much about normal.

Prices generally in men's clothing and accessories are higher. But because of the difficulty in making exact comparisons, merchants prefer not to make any estimates, especially now that the government is setting price ceilings on all classes of goods. In suitings it is understood however, advances have ranged from 5% on some lower priced lines to as much as 30% on high-class imported goods.

The Week in Business

Current business continues to show gains over last year. D.B.S. index of business activity for week ended Oct. 11 almost 6% above corresponding week of 1940 but pulled below previous week by smaller bank clearings and reduced stock market activity and prices. The Financial Post Business Index for September slightly above previous month and almost 12% above last year.

Dividend payments index shows slight decline in September from August, and almost 3% lower than in same month a year ago.

Railway carloadings show gain of 6% in week ending Oct. 11 over corresponding week last year, with cumulative for year to date up 13% over 1940.

Railway gross traffic earnings higher for both roads in second week of October. Cumulative for 1941 to date up 23% for C.N.R. and 30% for C.P.R.

Wheat and flour exports show good increases in September compared with same month a year ago. Total for nine months almost doubled in flour, up 43% in wheat.

Newsprint production shows slight increase in September over last year. Total for nine months down almost 3% from previous year.

Cigarette consumption shows sharp rise in September over year ago with nine months total advancing 12.5% over figures of previous year.

Life insurance sales in September show 30% increase over last year. Total for year to Sept. 30, 10% higher than year ago.

Trend of business shown by The Financial Post Business Index, and following key factors, new items for the week being marked thus ▪.

TREND OF BUSINESS—	Oct. 11	Oct. 4	Sept. 27	Sept. 20	Oct. 12/40
Weekly index of business, D.B.S.	111.0	111.7	113.2	116.1	104.9
Commodity prices, index no.	93.7	93.3	92.8	92.7	83.1
	Sept.	Aug	July	June	Year Ago
▪The Financial Post business index	*164.7	162.5	158.9	155.1	147.4
National Income, D.B.S.•	....	442.0	448.8	436.1	404.7
Retail sales index no.	....	146.4	134.7	134.3	119.8
Dept. store sales index no.	....	145.8	132.5	123.1	116.6
Wholesale sales index no.	....	156.3	146.6	140.6	123.4
Country store (% change pr yr.)	....	+11.3	+13.2	+5.2	+9.8
Div'd. payment index♦	118.4	118.6	118.4	119.3	122.0
COST OF LIVING—					
D.B.S. index	114.7	113.7	111.9	110.5	106.4
EMPLOYMENT INDEX Nos., D.B.S.	Aug. 1	July 1	June 1	May 1	Year Ago
All industries	160.6	157.4	152.9	145.5	127.9
Manufacturing	176.9	172.5	168.0	162.3	134.4
▪Payroll index (a)	172	170	....	....	140
			Jan. 1 to date		%
RAILWAYS—	1941	1940	1941	1940	Change
▪Carloadings (week Oct. 11)	68,043	64,532	2,472,173	2,173,380	+13.7
▪C.N.R. gross (week Oct. 14) $	6,132,690	4,858,540	232,697,332	188,275,589	+23.6
▪C.P.R. gross (week Oct. 14) $	4,851,000	3,301,000	167,457,000	128,843,000	+29.9
▪C.N.R. net revenue (Sept.) $	6,393,072	3,927,467	48,589,326	27,968,316	+73.9
C.P.R. net revenue (Aug.) $	3,146,005	2,263,597	26,261,119	17,304,434	+51.7
IRON AND STEEL—(August)—					
Pig iron production (tons)	105,795	88,885	833,351	734,436	+13.4
Steel ingots and castings prod. .... (tons)	202,746	172,210	1,548,497	1,300,033	+19.1
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (Aug.)	4,333	2,755	68,726	76,999	—10.7
Factory output .. (Aug.)	3,160	1,510	72,208	77,086	—6.3
Trucks and Buses:					
Domestic sales* .. (Aug.)	2,889	2,244	26,660	21,417	+24.5
Factory output .. (Aug.)	14,032	12,483	122,509	62,321	+96.6
Financing:					
Used .... (Aug.) $	4,172,626	3,740,564	38,458,062	29,606,637	+29.9
New .... (Aug.) $	2,447,964	1,973,436	28,615,207	23,886,974	+19.8
CONSTRUCTION—					
Contracts awarded . (Sept.) $	39,363,800	52,260,000	322,909,100	247,749,000	+30.3
▪Cement prod., bbls. (July)	944,000	983,000	4,296,000	3,711,000	+15.7
AGRICULTURE—					
Flour prod., bbls. .. (Aug.)	1,852,139	1,291,451	13,985,964	10,081,998	+38.1
Flour exp., bbls. .. (Sept.)	661,014	550,754	9,481,375	5,192,380	+82.6
Wheat exp., bush. .. (Sept.)	11,341,041	9,499,854	144,429,658	100,470,813	+43.7
Cattle sales▲ .... (Sept.)	149,742	115,444	845,444	788,455	+7.2
Hog sales▲ .... (Sept.)	522,104	413,207	4,319,717	3,436,840	+25.6
SEA FISHERIES—‡					
Catch cwts.▲ ...... (Aug.)	1,794,800	1,336,300	7,070,600	7,492,000	—5.6
Landed value ...... (Aug.) $	4,991,500	2,975,000	17,495,830	12,730,200	+37.4
NEWSPRINT—					
Production, tons .. (Sept.)	298,276	282,322	2,505,947	2,573,605	—2.7
Exports .... (Aug.) $	13,180,000	14,341,000	99,290,357	95,641,845	+3.8
MINING AND OILS—					
Coal prod., tons ... (Aug.)	1,356,917	1,398,145	11,002,960	10,916,798	+.08
Coal import, tons . (Aug.)	2,702,485	2,298,531	11,370,179	11,576,452	—1.8
Gold rec., fine oz. . (Aug.)	430,878	444,033	3,423,941	3,290,803	+4.0
Crude oil, imp. gals.† (Aug.)	....	....	1,007,200	904,216	+11.4
ELECTRIC POWER OUTPUT—(August)—					
Total monthly, 1,000 kw.h.'s	2,640,084	2,500,179	21,033,614	20,083,914	+4.7
FOREIGN TRADE—♦					
Imports ... .. (Aug.) $	137,913,470	96,835,858	910,905,229	682,432,876	+33.4
Exports .... (Aug.) $	150,494,256	111,359,567	1,041,710,418	766,533,766	+35.9
OTHER INDUSTRIAL FACTORS—					
▪Dressed lumber exp.: 1,000 bd. ft. .... (Sept.)	291,129	276,912	1,726,815	1,788,363	—3.4
Shoes, prod., pr .. (Sept.)	2,965,637	2,382,680	20,806,300	16,969,649	+22.7
▪Cotton consump., lb. (Sept.)	17,125,874	14,286,921	147,249,878	141,498,970	+4.0
Raw rubber imp. lb. (Aug.)	....	....	88,962,399	62,022,360	+43.4
▪Cigarette cons., No.† (Sept.)	865,957	597,291	6,263,493	5,565,072	+12.5
Sugar manufactured .. lb.§	99,232,363	71,339,246	666,493,637	620,345,592	+7.4
FINANCE—					
Bank debits† ..... (Aug.) $	3,149,791	2,457,706	25,201,597	22,081,944	+14.1
Bond sales† .... (Sept.) $	62,448	401,159	1,530,674	1,742,986	—12.2
▪Life insurance sales (Sept.) $	33,975,000	26,156,000	295,019,000	267,381,000	+10.3

•D.B.S. All Canada figure covering over 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ▪
†000's omitted. §For four week to Sept. 6. ♦Gold excluded.
•Millions of dollars. *Preliminary. ♦Supplied by Nesbitt, Thomson & Co.
(a)Compiled by Canadian Bank of Commerce.

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C. N. R. Income Tops '40 Mark

Heavy September Boosts Revenue to Date Above All of Last Year

From Our Own Correspondent

MONTREAL.—Consequent upon a sharp increase in revenues in September, net operating income of Canadian National Railways for the first nine months of 1941 totalled $48.6 millions. This is more than was reported for all of 1940 and is one of the best nine months periods ever experienced by the system.

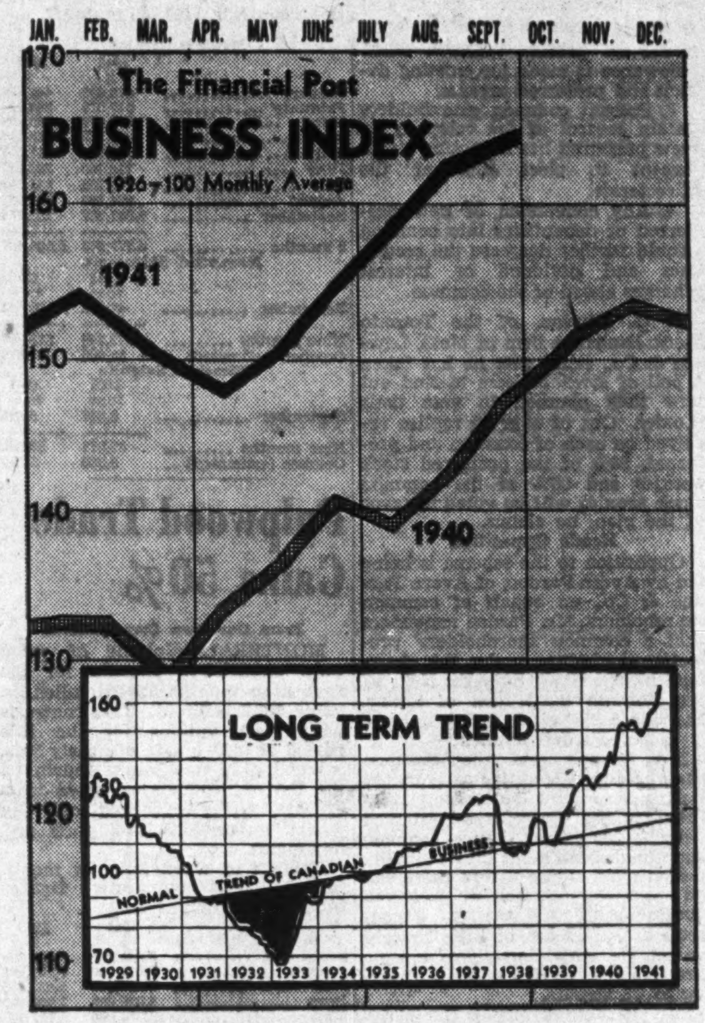
Operating revenue in September totalled $27.1 millions, an increase of $6 millions, while operating expenses rose by $3.5 millions to $20.7 millions. Net revenue amounted to $6.4 millions, an increase of $3.9 millions.

In the nine months to Sept. 30 operating revenue totalled $220.3 millions, an increase of $41.9 millions over the corresponding period of 1940. Operating expenses totalled $171.7 millions, $21.3 millions higher than the same period last year.

Net revenue increased by 74%, or $20.6 millions, over the nine months period ended Sept. 30, 1940, to $48.6 millions.

Operating Statement

September:	1941 $	1940 $
Operating revenue..	27,132,153	21,119,220
Operating expenses.	20,739,081	17,191,753
Net revenue	6,393,072	3,927,467
Nine Months Ended Sept. 30:		
Operating revenue..	220,312,011	178,415,991
Operating expenses.	171,722,685	150,447,675
Net revenue	48,589,326	27,968,316



BUSINESS INDEX AT NEW HIGH

The Financial Post Business Index rose to another new high level in September at 164.7 against the previous high record of 162.5 established in August.

Factors contributing to the rise included an advance in manufacturing and an increase in construction. Railway traffic was at a slightly lower level after adjusting the indices for seasonal tendencies. Merchandise exports were lower than in the preceding month but higher than in the previous year.

Major Economic Factors

	September 1941	September 1940	Increase+ Decrease— %	August 1941
The Financial Post business index† ...	*164.7	147.4	+11.7	162.5
Capitalized bond yields†	145.1	140.3	+3.4	144.9
Bank deposits†	135.7	133.8	+1.4	133.3
Sugar manufactured .... lb.	99,232,363	71,339,246	+39.1	91,531,291
Cheese, factory production .... lb.	20,056,232	20,882,140	—4.0	23,724,606
Butter, creamery production ...... lb.	32,415,274	26,527,919	+22.2	35,460,018
Cattle slaughterings .... no.	162,675	131,075	+24.1	146,962
Sheep slaughterings .... no.	106,735	89,966	+18.6	86,020
Hog slaughterings .... no.	454,913	438,043	+3.9	367,270
Canned salmon exports .... cwt.	125,436	93,299	+34.4	3,667
Raw cotton used .... lb.	17,125,874	14,286,921	+19.9	14,595,435
Newsprint production .... ton	298,276	282,322	+5.7	293,054
Woodpulp exports .... cwt.	2,786,204	1,808,998	+54.0	2,531,568
Planks and boards exported .... M ft.	291,129	276,912	+5.1	261,132
Shingles exported .... squares	330,811	298,165	+10.9	309,893
Construction contracts awarded ..... $	39,363,800	52,260,000	—24.7	36,123,900
Carloadings .... no.	294,172	252,425	+16.5	278,646
Mdse. exports .... $	142,891,175	102,778,198	+39.0	150,496,256

†1926 equals 100. *Preliminary.

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Commodities

Price Indices Mostly Lower

Govt. Moves to Put Ceiling on Market Values Check Speculations

Commodity prices have shown an easier trend in various groups, owing largely to the belief that more drastic price controls are likely to be initiated in both Canada and the United States. The announcement from Ottawa that the government would put a ceiling on prices as a protection against inflation, and the belief that the United States would do the same if it declared war, if not before, checked speculative buyers, in both countries.

Hog prices have been a little easier, possibly because the new prices for bacon announced by the bacon board did not show the advance that some had expected.

Of the four spot price indices two were lower, one unchanged and one higher. Dow Jones index of future prices was lower.

	Latest week	Previous week	Same week last yr.
Cattle	$9.50	$9.80	$8.35
Hogs	14.75	14.85	12.00
Copper, lb.	.12	.12	.12
Cotton, lb.	.1695	.1754	.0978
Sugar, raw, lb. ..	.0350	.0350	.0278
Wheat, Man. (bu.)	.72⅛	.74⅛	.70¼
Coffee, lb.	.09⅛	.09⅛	.05⅛
Hides	.13½	.15	.14
Weekly Indices			
Canada (D.B.S.) ...	93.7	93.3	83.1
Do., Wood, Gundy	74.5	75.1	66.6
U. S. Labor	91.6	91.6	78.1
Dow Jones (future)	79.14	80.94	55.41
Fishers	98.3	98.4	83.4
Monthly Indices			
Canada (D.B.S.):			
Retail (Sept.)*	114.7	113.7	106.4
W'sale (Aug.)	91.8	91.1	82.6
U. S. (July)	88.8	87.1	77.7
Gt. Brit. (July) ...	153.2	152.4	139.7

Note:—The base of indices is that 1926 equals 100. *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

PERRON JUMPS EXTRA

An extra dividend of 6 cents a share has been declared by Perron Gold Mines payable with the regular quarterly dividend of 4 cents a share on Dec. 20, 1941, to shareholders of record Nov. 28. Previously, extras of 1 cent a quarter had been paid.

C. I. L.'s Nylon Plans Fluid

Kingston Plant Designed So It Can Be Enlarged Quickly if Needed

From Our Own Correspondent

MONTREAL. — Canadian Industries Ltd. new nylon plant at Kingston is expected to be operating at capacity some time late next January or February.

Present plans call for a production of 575,000 lb. of nylon yarn annually, instead of 400,000 lb. as provided in the original specification. The output will be used for war materials and for the manufacture of hosiery.

The development will cost $1.5 million. As regards rumors that this investment may be enlarged, the company has issued the following statement:

"In view of the prior demands for nylon yarn for possible war purposes as well as the present situation in the textile industry opposite the need for silk replacement materials, consideration is being given to the need for extending the manufacturing area of C. I. L.'s nylon plant at Kingston. Owing, however, to the priority of regulations governing building materials and the difficulty of securing certain special types of equipment the question of expansion at the present time and under present economic conditions is one requiring careful consideration before capital commitments are made.

"Construction on the new plant is progressing satisfactorily but certain sections may quite possibly be left unfinished so that any extensions decided upon later can be carried out with the minimum of delay and expense."

Montreal Brokers' Loans Show Small Advance

From Our Own Correspondent

MONTREAL.—Collateral borrowings of member firms of Montreal Stock Exchange and the Montreal Curb Market at the end of September last totalled $5.7 millions, an increase of $55,000 from the previous month's figure.

The current figure is somewhat lower than the corresponding total at the end of September a year ago, when loans totalled $5.9 millions.

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THE DICTIONARY says that a "profession" is a "calling in which one professes to have acquired some special knowledge used by way either of instructing, guiding, or advising others..."

Under that definition, the proper sale and service of life insurance is a profession, for the trained life insurance agent is a man who has acquired special knowledge which he uses in guiding and advising others.

Because his calling is highly specialized, the agent has become more and more a career underwriter who works constantly to increase his knowledge and thus improve his ability to serve policyholders properly.

The Metropolitan agent, for example, is trained how to judge a family's life insurance needs and how to help each family buy the type of insurance best fitted to its needs. He learns to help distribute the protection properly among the members of the family.

The agent strives to keep the insurance protection fitted to the family's situation. He also learns to arrange modes of settlement so as to achieve most effectively the hopes and ambitions of the policyholder. On some policies, he collects premiums and sees that dividends are credited.

The agent often acts as trusted friend and advisor in problems connected with the family's policies. When a policyholder dies, the agent frequently helps the bereaved family by preparing the necessary papers and by getting the claim cheque promptly to the beneficiary.

The Metropolitan agent is interested in the health of policyholders and of the community in which they live. Because of this interest, he plays his part in Metropolitan's welfare service. During 1940, Metropolitan agents helped to distribute in Canada and the United States more than 52,600,000 booklets on health and safety problems. In addition, agents are instrumental in bringing Metropolitan's Nursing Service to policyholders eligible for this service. Last year, more than 3,100,000 nursing calls were made in over 7,500 communities in Canada and the United States.

In short, the life insurance agent is more than a man who sells life insurance. More often than not, he is a career man, devoting his life to providing policyholders with the kind and amount of insurance protection they should have at the lowest cost consistent with safety.

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Revise Newsprint Data

Old Method Would Have Led to Serious Errors

From Our Own Correspondent

MONTREAL. — Position of the newsprint market is now more accurately portrayed as a result of revision in the figures of stocks on hand carried out by the Newsprint Association of Canada, in co-operation with the News Print Service Bureau and the American Newspaper Publishers Association.

Originally the position of the market—as indicated by stocks on hand—was largely by hit and miss. The industry had no accurate idea of the available supplies.

Following the disclosure in The Financial Post some time ago that stocks were considerably larger than reported, steps were taken to work out the stock position on a "balance sheet" method.

This step eliminated a large percentage of the error in the old method of calculation.

The next development was the revision by the American Pulp and Paper Association of the extent to which the consumption of its member publishers represented a percentage of the total apparent United States consumption.

Reduce A. N. P. A. Figure

Previously A. N. P. A. members had been credited with using around 80% of the total U. S. consumption. As a result of the work done by the A. N. P. A. this figure was reduced to 77.3%.

The manner in which stocks have been mounting in the last year has given rise to considerable concern. At the same time it was felt that the figures were not as accurate as they might be.

The whole situation was investigated. As a result the A. N. P. A. percentage was found to be too high. Also the Newfoundland method of reporting shipments was revised to conform with that followed by the Canadian mills.

As an outcome of this work the figures on consumption and publishers' stocks have been revised. For the current year the A. N. P. A. is being credited with 76.54% of the total apparent U. S. consumption.

Unofficially it is understood that had the old method of calculation been continued the total North American newsprint supply at the end of September would have been reported as being 115,000 tons higher than is actually the case.

Stocks at High Level

This revision, consequently, now permits of a much more accurate appraisal of the market position than has hitherto been possible.

At the end of last month the apparent stocks of newsprint paper in North America totalled 803,175 tons. This contrasts with 783,338 tons at the close of the previous month and with 757,057 tons at the end of September, 1940.

The figure of 803,175 tons is the highest for any month since April, 1938. It is the tenth largest monthly total ever reported by the industry.

Apparent supply with all publishers in the United States at the end of last month is estimated on the new basis at 550,959 tons, an increase of 22,000 tons during the month and 41,000 tons more than at the same date last year. The current supply is almost exactly the same as it was in April, 1938, the last time stocks passed the 550,000 ton mark.

Member publishers of the A. N. P. A. reported 388,492 tons of newsprint stock at the end of last month. This was equivalent to 49 days' supply at the current rate of production, and a drop of 4 days from that reported at the close of the previous month.

The 49 days' supply of the A. N. P. A. members may be considered as normal under present conditions. In peacetime the publishers usually carried a stock of between 35 and 40 days' supply. However, because of war conditions, the tendency in the past two years has been to carry a somewhat higher reserve as a safety measure.

So far there is little indication the publishers are accumulating stocks much beyond their normal requirements.

Mill Supply Lower

North American mill supply at the end of last month totalled 252,216 tons. This indicated a drop of around 2,800 tons during the month and was about 5,000 tons greater than a year ago.

Mill supplies have been kept well in hand in so far as they relate to publishers supply. The trend of mill supplies for the past two years or more has been downward. Stocks have not dropped as rapidly as publishers' stocks have increased, but the gain of the latter has not been of such a character as to cause undue concern.

Position of Mills

The distribution of mill stocks at the end of last month, with comparative figures for 1940, follow:

Mill Stocks on Hand
(As at Sept. 30)*

	1941	1940
Canadian mills	148,480	158,312
U. S. mills	11,864	19,230
Nfld. mills	91,872	69,785
Total	252,216	247,327

Variations in Supply

Over the 12-month period, it will be noted, the Canadian mills have reduced their stocks of paper on hand by roughly 10,000 tons, or a little better than 6%.

U. S. mills have reduced their stocks by 7,400 tons, or 38½% from that reported a year ago.

Newfoundland mills' supply, on the other hand, has increased by 22,000 tons, or 31½%.

The increase in Newfoundland mill stocks calls for special comment, inasmuch as they do not altogether reflect marketings. Delays in shipping, because of war conditions and other factors, have a marked influence on the Island's stocks of newsprint. It is possible to set what may be considered as a normal figure. The supply, next month, for example, may be under that of a year ago.

International Paper Co. Has $80 Millions in Can.

From Our Own Correspondent

MONTREAL.—Net profit of Canadian International Paper and other wholly-owned subsidiaries of International Paper Co. in Canada for the first quarter of 1941 totalled $980,955, according to a prospectus filed by the company with the Securities and Exchange Commission in connection with the exchange of shares from International Paper & Power Co. to the new International Paper Co. These earnings were after full provision for income and excess profits taxes and compare with a profit, on the same basis, of $4.7 millions for all of 1940; $1.8 million for 1939; and a loss of $183,360 in 1938.

At present the company carries on its books an investment of approximately $80 millions in its Canadian subsidiaries.

Most of the properties of these Canadian subsidiaries are subject to mortgage under which, as at March 31, 1941, bonds were outstanding in the hands of the public in the principal amount of $18,756,000.

Practically all of the company's newsprint capacity is represented by three mills owned by Canadian subsidiaries which have an aggregate annual capacity of 682,310 tons.

Practically all of the newsprint is sold under contracts to newspaper publishers. The 10 largest customers at the present time purchase approximately half of the total newsprint sold by the company and its subsidiaries.

Last year Canadian newsprint properties produced 540,851 tons. This contrasts with 434,383 tons in 1939 and 414,682 tons in 1938.

Big Pulp Producer

Bleached and unbleached sulphite is manufactured by Canadian International Paper at three mills in Quebec and Ontario, having an annual capacity of approximately 161,200 tons of bleached and 34,100 tons of unbleached pulp.

Two of these mills produced special grades of bleached sulphite pulp used as a raw material in the manufacture of raw yarns, Cellophane, plastic and allied products.

Some unbleached sulphite pulp is also produced for use in paper manufacturing and, together with the unbleached sulphite pulp produced at the third mill, is for the most part used by paper mills of International Paper and its subsidiaries located in the northern states.

During 1940, shipments abroad amounted to approximately 26% and during the first six months of 1941 to approximately 20%. The reduction has been offset by increased sales in the United States.

Last year the Canadian properties produced 215,444 tons of sulphite, of which 53,961 tons were used at other mills of the company and 161,483 tons were sold on the open market. In 1939 total pulp production was 140,025 tons of which 23,114 tons were used for manufacture and 116,911 tons sold on the open market.

Four Machines on Corrugating

Particulars are given to indicate that Canadian International Paper is now extensively engaged in producing the new 9 point corrugating paper to offset the shortage of regular kraft supplies.

Changes have recently been made at the Three Rivers mill of Canadian International Paper Co. which have enabled four of the eight paper machines at this mill to produce woodpulp paper which is being sold to customers in the United States who manufacture corrugated containers.

During the five-year period from 1936 to 1940, the Canadian subsidiaries spent nearly $9.4 millions on improving plant efficiency; $5 millions on newsprint mills, $1.2 million on sulphite mills and $3.1 millions on miscellaneous properties.

Capital outlay in 1940 totalled $1.4 million; 1939, $886,225; 1938, $517,134; 1937, $3,986,954 and 1936, $2,580,641.

Germans Sink Boats

Early this year, two of the four boats owned by the Canadian subsidiary and used for transporting paper to England, were lost by enemy action. Full insurance has been collected, the prospectus states, by the Canadian subsidiary.

In June, 1941, another boat was acquired by a subsidiary of the company. It is planned that this boat will be used for carrying paper from Canadian mills to Atlantic coast and gulf ports and for carrying sulphur from gulf ports to the Canadian mills.

Many Other Interests

In addition to its newsprint and sulphite pulp properties, International Paper Co. has a number of other interests in Canada.

These include a bag plant at Ottawa, owned by Continental Paper Products Ltd., a subsidiary, which converts paper purchased from other Canadian producers into specialty bags, paper cups and other paper products substantially all of which are sold in Canada. Another subsidiary is engaged in producing board.

The company and its subsidiaries also own or are engaged in certain incidental ancillary businesses, including the operation of a street railway in Hull; a small telephone system in the Gatineau River Valley in Quebec; a small bituminous coal mine in New Brunswick; saw mills at Calumet, P.Q., and Douglas Town, N.B.; two steamships used in carrying paper from Canadian points to Great Britain and a third steamship used in carrying paper from Canadian points to the Atlantic coast ports and in carrying sulphur from gulf ports to Canada.

U. S. Publishers Are Reassured

Newsprint Association Tells Them Supply Continuity Assured

From Our Own Correspondent

MONTREAL.—United States publishers have been reassured in respect to their supply of newsprint.

In a special communication to U. S. publishers who had expressed some fear that a shortage of newsprint may be impending, the Newsprint Association of Canada said the declared policy of Canadian manufacturers is to see to it that United States customers would receive their normal supply.

In order to ensure such continuity, the association added, it was imperative publishers adhere to the practice of taking their requirements in monthly installments which method has been found most satisfactory in levelling out newsprint movements as between different seasons.

A.N.P.A. Co-operates

The American Newspaper Publishers Association also has been active in urging its members to adopt this policy. The results have been apparent in the manufacturing and shipping returns for the last two years which show a considerable levelling off in the seasonal fluctuations.

Several months ago, fears were felt by U. S. publishers that a shortage of newsprint might result from an insufficiency of box cars due to anticipated transport priorities in the United States.

This aspect of the situation was fully studied by A.N.P.A. which reported to its members that while undoubtedly there might develop tight positions at special times, there was no reason at all to expect a newsprint shortage as a result of lack of box cars.

This did not seem to finally allay all fears and there had been indications in the past two months that some publishers had been adding to their stocks, apparently as an insurance against shortage later.

U. S. Publishers Use More Paper

From Our Own Correspondent

MONTREAL. — Apparent consumption of newsprint paper by all United States publishers amounted to 312,383 tons in September. This represented an increase of 1,025 tons or 0.4% over that reported for the same month last year.

For the first nine months of 1941 U. S. consumption of newsprint totalled 2,803,517, as compared with 2,727,242 tons for the same period of 1940, an increase of 2.8%.

Massey Share Fight Gains Momentum

Com. Share Committee Replies to Gairdner Letter and Seeks Support

Interest in the coming meetings of shareholders of Massey-Harris Co. is being intensified by statements and letters sent to shareholders both by those favoring and those opposing the scheme.

On Nov. 26 and 27 shareholders are to consider proposals for an exchange of stock and a capital reorganization which would result in eliminating the deficit and settling accumulated arrears of dividends.

Gairdner & Co. has sent a letter to common shareholders urging their acceptance of the plan. This firm, which was active in seeking a settlement for preferred shareholders at the last annual meeting, summarizes its arguments as to why common shareholders should favor the plan as follows:

1. $6.5 millions of preferred arrears at Aug. 31, 1941, would be eliminated.
2. Maximum accumulations on the new preferred over the next five years would be equivalent to 5% on the present stock if earned and if not earned a minimum of 3% on the present stock.
3. Privilege to be granted the company of paying preferred dividends over the next five years in either cash or debentures would protect its working capital and permit use of earnings for expansion if desired.
4. Common shareholders get 50.5% of new common shares. These would have a book value of just $7 millions compared with no book value for present common when allowance is made for existing deficit and preferred arrears.
5. Present common shareholders retain control of the company as new preferred has no voting rights except to elect 25% of the directorate.
6. Any conversion of new preferred or debentures into common would further decrease the securities and dividend or interest charges ahead of the common.

F. G. Lawson, of the Toronto Stock Exchange firm of Moss, Lawson & Co., states that he has taken a poll of stock brokers to find out how they planned to vote their proxies. Out of over 50 replies received on each of common and preferred, 98% of the preferred stock proxies and 96% of the common stock proxies will be voted in favor of the plan, he claims.

Heads Opposition

Opposition to the scheme is being led by Avern Pardoe, of Avern Pardoe & Co., on behalf of common shareholders. Mr. Pardoe announces that a common shareholders' protective committee under the chairmanship of H. C. Stapells, K.C., of the Toronto legal firm of Salter, Stapells & Sewell, is being formed.

Pardoe Replies

Mr. Pardoe and the common shareholders' committee answers the Gairdner letter, suggesting that they are the views of a preferred shareholder rather than a common shareholder. He holds that a lengthy period must elapse before there can be any substance behind preferred accumulations and that, as a consequence, they are of little present value. He adds that there are no proper safeguards against recurrence of arrears.

Mr. Pardoe dismisses the statements regarding the payment of preferred dividends in cash or debentures and the provision for a maximum and minimum rate as "wrongfully given concessions and of no particular help." He adds that "debentures are an ill-contrived scheme to produce a bad result, increasing indebtedness by possibly $3 millions and extra interest of about $4 millions over the 20-year life of the proposed debentures."

At present, he states, the common shareholders own 100% of the common share total giving full voting control and "need not be under any obligation to anybody for so remaining, let alone losing half of their capital."

Circularizing Shareholders

The newly formed common shareholders committee is sending a letter to larger holders of common asking if they were consulted prior to announcement of the plan and what they think of the scheme. They are urged to "insist that the present improved earnings be used in the continued reduction of the capital deficit."

In another communication, the new committee contends that:

> "It is stated without any possibility of contradiction that the compromise or arrangement will from the very outset place the control of the company in the hands of the preference shareholders, where it may be maintained, if necessary, by the conversion privledges."

Mr. Pardoe states that there is a definite switch in control of the company from the present common shareholders having an approximate six to one majority in voting strength to permitting present preferred shareholders to have a two to one majority, without allowing for the possibility of any conversion of preferred shares or debentures into common.

Charging that the decision of Massey-Harris directors not to send to shareholders a statement "showing actual earnings for the past nine months and estimates for the last three months of the company's present fiscal year" is "most unfair and decidedly 'unfortunate,'" Mr. Pardoe maintains that such information would have permitted common shareholders to value their holdings on a much better basis.

Abitibi Earns Record Amount

Aided by Substitute Products, Monthly Earnings Exceed $1 Million

Abitibi Power & Paper Co.'s monthly earnings in September set a new high record for the period since 1936 when G. T. Clarkson, receiver and manager, started publishing monthly figures. At $1.1 million last month, the total is $146,000 above the previous record set in July, 1940.

A significant point in statements issued for the past two months has been reference to newsprint substitute products included in tonnage figures. This is the special paper being made by Abitibi and other Canadian newsprint producers as a substitute for Kraft paper and shipped to the United States.

Indicative of how this new product is going to contribute to earnings of the companies making it is the fact that Abitibi's tonnage of newsprint and substitute products for September this year has been exceeded by tonnage shipments for May and June of last year, but earnings in these months were well below the levels of last month.

October Gain Expected

Promise of even better earnings for October is seen in the forecast of output of newsprint and substitute products at 52,000 tons, apparently an all-time record. Shipments of bleached sulphite pulp so far this year have been well ahead of any previous year.

Monthly earnings figures for September include $157,566 received as premium on United States exchange. They are before allowing for bond interest, including interest on unpaid interest, of $296,641, and depreciation requiring $148,750 monthly.

Monthly Earnings

	1941 $	1940 $
January	476,993	447,776
February	517,915	389,594
March	687,529	383,152
April	695,728	525,116
May	752,858	817,458
June	718,109	885,862
July	775,152	941,390
August	866,139	802,325
September	1,087,262	731,764
9 months	6,577,685	5,924,437

Newsprint Shipments

	1941 tons	1940 tons
September	48,472	36,697
Nine months	322,346	326,300
October (estimated) ..	52,000	37,210

Bleached Sulphite

	1941 tons	1940 tons
September	8,647	6,268
Nine months	65,872	56,820
October (estimated) ..	8,300	5,152

Pulpwood Trade Gains 50%

From Our Own Correspondent

MONTREAL.—Volume of wood pulp exports in Canada for the first nine months 1941 totalled in value $62.2 millions. This contrasts with $44.5 millons for the like period of 1940, a gain of nearly 50%.

Wood pulp now ranks fourth on the list of products exported from Canada, being exceeded only by wheat, automobiles and parts and newsprint.

Exports of wood pulp by month for 1941 with comparative figures for 1940 follow:

	1941 $	1940 $
September	8,424,000	5,626,000
August	7,611,000	6,202,000
July	7,902,000	6,099,000
June	6,818,000	5,780,000
May	6,984,000	5,162,000
April	6,820,000	4,353,000
March	5,987,000	3,548,000
February	5,436,000	3,399,000
January	6,266,000	4,321,000
Totals	62,248,000	44,490,000

U. S. Paper Mills Report Drop in Activity

MONTREAL.—Paper mill activity in the United States for the week ended October 11 was 102.8% of rate of capacity. This compares with the record high 106.7% in the previous week and 86.2% for the week ended October 12, 1940, according to the American Pulp and Paper Association.

John A. Lang and Sons Sales Volume Higher

From Our Own Correspondent

MONTREAL. — Volume of business handled by John A. Lang & Sons Ltd. for the current year to date shows a good gain over the corresponding period last year. Present indications are the company will be able to show for the year an improvement in net over 1940 when net profits were equal to $1.22 a share on the common. This is after provision for heavier taxation requirements.

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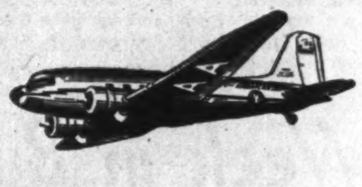

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Will the Market Get 'Wise'?

Optimism Fails to Capitalize Wartime Busy-ness

By A. D. ELLWOOD
Investment Editor, The Financial Post

A question heard everywhere and for which no complete or conclusive answer has yet been given is: "What is wrong with the stock market?"

Many reasons are advanced why we have the spectacle of record levels for industrial activity, rising commodity prices, widespread inflation fears, a reasonably well sustained level of profits and dividends in spite of high taxes, yet find the stock market ignoring such factors.

We see interest rates holding firmly around the low levels which have prevailed for a number of years with every indication that they will continue to stay relatively close to current levels.

We see yields on stocks which give two or more times the return which can be obtained from high-grade bonds.

Yet the stock market stays dull and weak.

To these facts we can add the current spectacle of a sharp decline touched off by ominous news from the front where our ally, Russia, is fighting with its back to the wall. Such a decline would not happen at other times when business was booming as it is now. But this is wartime and wartime markets do not behave according to peacetime rules.

The Tax Burden

One reason given is the present taxation schedule and the probability that any changes in the future will be toward heavier rather than lower taxes, at least until the war is over.

Taxes hit the stock market in at least two ways. In the first place they limit, or reduce, available net profits. In the second place, they hit personal incomes. This hits in more than one way. For the high income level group it may mean that they feel there is not sufficient compensation for the added risk in going after higher yields as compared with bank interest or high-grade bonds. For the middle income groups, it makes it very difficult to accumulate any surplus which the individual feels free to use as an investment.

Increased incomes are going generally to the lower income groups which have never been accustomed to entering stock markets or making investments. The market itself has not generated enough power to make the ordinary street car conductor or working man buy stock as has been the case in previous periods of comparable prosperity.

Inertia in U. S.

Then there is the factor of inertia in stock markets in the United States. In spite of Canada's "closed economy" we still wait on the United States for the lead in many ways and the stock market appears to be one of them. A comparison of yields and prices of comparable stocks in Canada and the United States shows Canada in a favorable light. Our yields are at least as low as those in the United States.

Then there are fears—fears of postwar readjustments; fear of the outcome of the war or of serious shocks arising from it.

Do Not Minimize Fear

This factor should not be minimized. It must be recognized that we may be entering, or already into, an era of increased socialization of industry and government control of business. Even before the war this was becoming evident. Perhaps the postwar period will end it, but there will be serious problems presented in unscrambling the setup as it has been organized for war. The government will be left owning large plants and faced with the task of converting them to peacetime uses or turning them over to private ownership. Our economic control systems will be set up and relaxing of them may present a problem.

From the war itself, nothing much can be said. Currently there is a definitely ominous note to war news and it is reflected in weaker stock market prices. The public is probably becoming inured to shocks from the war, however, to an extent that a drastic decline, such as was seen in May and June of last year, appears less likely.

The war can affect the stock market in more than one way. Some may fear an early end to the war with the immediate prospects of postwar readjustments. Others may see in it the prospect of a long drawn struggle, likely to leave whole nations impoverished.

Inflation at Work

On the side of arguments which would normally mean better stock market prices should be mentioned the commodity and price inflation which has been under way for some time and the prospect that inflation effects will spread further. This aspect was discussed at considerable length in The Financial Post recently. It is an important factor but one which has not yet found reflection in the stock market.

Then there is the fact that in London for some months now stocks have been steadily rising, a rise perhaps interrupted by recent war news. Many argue that conditions in this country should follow this lead. But there may be other factors to consider.

Repatriation Effects

First there is the repatriation of securities and its effect. In England it has meant huge sums of money turned back to the owners of securities taken over and sold in the United States and Canada. This money was the capital on which people were depending for a living. They turned first of all to the war loans, but a substantial portion sought a higher yield in the equity markets.

On this side of the Atlantic the effect was the opposite. Canada has been asked to buy back hundreds of millions of dollars' worth of British-held securities. The same is true in the United States only there it runs to billions of dollars. These securities have been absorbed in Canada and in the United States, but they have been absorbed probably at the expense of funds which might have operated on the stock market as an alternative.

In other words this repatriation business acts in opposite direction in Great Britain and in Canada.

Inflation Hedges

Regarding inflation, a great deal could be said. All investors seek the "ideal inflation hedge," but there probably is no such thing. The nearest approach to it would be ability to transfer capital to some other country where inflation was not effective during the inflation period. But under present conditions of controlled economies, this protection is not possible.

Common stocks have long been regarded as a reasonably effective hedge against inflation. But either the investing public has not awakened to the dangers of inflation sufficiently to turn to the stock market, or they have lost faith in stock markets as a protection. At any rate, inflation has had little or no effect on stocks as yet.

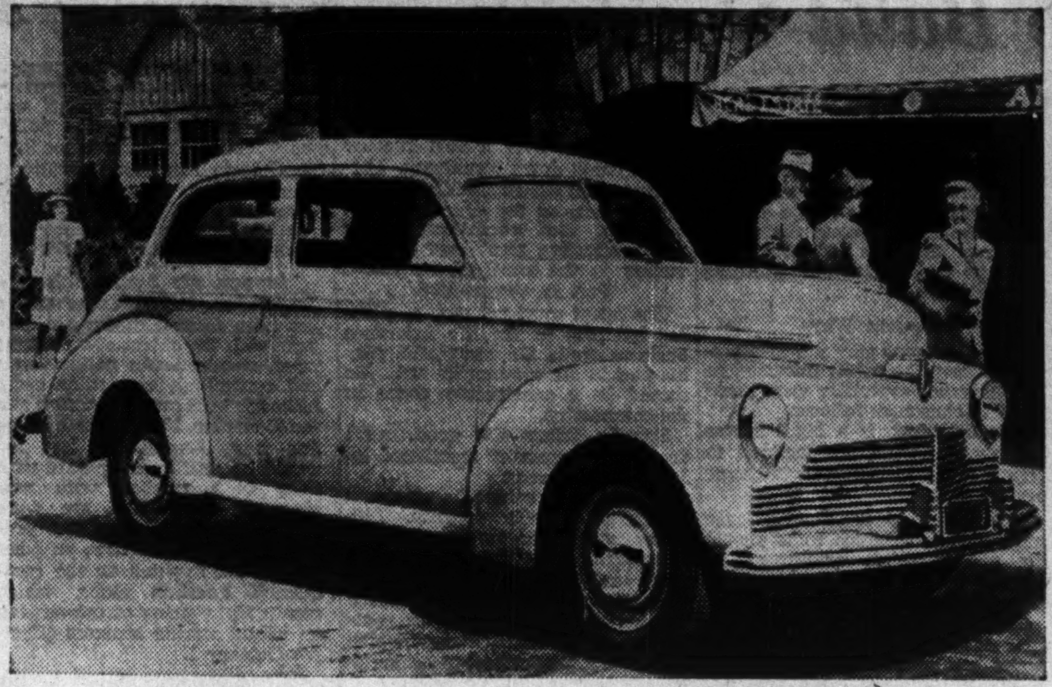
Finally there is the question of merchandising the stock exchange and securities themselves. Many have questioned the effectiveness of the organizations at present active to popularize the stock markets and reach for a new body of investors. Whether or not this criticism is justified is difficult to state, but its existence has to be admitted. The long depression of the 1930's left thousands of former investors incapable of re-entering the stock market. So far no new body has arisen nor has it been entirely possible for those who lost a number of years ago to recoup their losses.

One reasonable conclusion seems to be that the future of the stock market may lie in a sort of medium sphere. An outright boom is probably not wanted by any but a small minority. Psychologically and politically it might be bad business during wartime. It would almost inevitably lead to painful readjustments afterwards.

What is more desirable—and more likely—is that relatively stable stock prices will continue and that recognition of the strong factors supporting earning power and therefore prices, will gradually become stronger. Yield is important. Incomes are hit by taxes and by low interest rates. Stocks offer both a protection against inflationary effects—and the promise of balancing income against expenses. But wartime earnings will never be capitalized on anything like as optimistic a basis as those of peace. They are too impermanent for one thing.

The war will continue to be a harassing factor so long as it lasts. Ups and downs in fortunes of Britain and her allies are likely to be reflected in stock prices, although perhaps not in as striking a measure as would have been the case a year ago, barring either outright disaster or unexpectedly favorable developments.

The New 1942 Studebaker Champion



Here is Studebaker's entry in the lowest price field for 1942 — the Champion Custom Club sedan for six passengers. The new Champion features advanced streamline styling and operating economy. The Studebaker Champion is available in Custom and Deluxstyle two-door and four-door sedans as well as a coupe for three passengers and the Double Dater coupe for five.

Nova Scotia Miners' Action Leaves Big Bill to Pay

From Our Own Correspondent

MONTREAL.—Effect of the production curtailment by Nova Scotia coal miners can now be appraised.

Because of the slow-down, there was a loss of 558,587 tons of production; an increase of $2.55 a week in the cost of living bonus paid to the miners; and an increase of 22 cents a ton on the price of coal sold in Nova Scotia.

Between the period from May 1 to September 30, when the miners carried out their slow-down policy, production totalled 1,321,986 tons. For the like period last year output totalled 1,880,573 tons. The value of the un-mined coal was around $2 millions.

Following the abandonment of the production curtailment policy representatives of the miners, the Dominion Coal Co. and the federal government met to discuss mutual problems.

Out of the discussions arose the decision to increase the present 90 cents a week cost of living bonus to miners by addition of an amount of $2.55 a week.

The Wartime Prices and Trade Board decided that on the basis of 1940 coal production in Nova Scotia, an advance of 22 cents a ton in the price of coal mined and sold in the province would pay for the additional cost of living bonus. Accordingly, the board authorized a 22-cent increase.

In respect to other matters in issue between the company and the union, an application has been made to the Wartime Prices and Trade Board for the appointment of a special investigator under the authority of the Dominion government. This matter is under consideration.

Company Reports

Pacific Western Investment

Prospect of being unable to meet interest requirements on the $102,000 of 6% debentures outstanding was reported to shareholders of Pacific Western Investment Co. by President Ross Peers in presenting the annual statement for the year ended June 30, 1941.

At the close of the fiscal period, current liabilities were in excess of current assets and interest charges for the year were greater than gross income.

Included with the report is a statement of the investments made by the company in other ventures than its two operating subsidiaries. Total of these outside investments has a book value of $173,403, a market value estimated at $2,940. The 51,000 common shares of West Canadian Hydro-Electric Corp., are valued on the books at $102,000. All but one share are pledged as collateral for the debentures.

Holdings of 1,919 7% 2nd preferred shares and 12,651 common shares of Pacific Power & Water Co. are also to a great extent pledged as debenture collateral.

Mr. Peers stated directors hoped before long to be able to present a plan of reorganization which will give each class of security holder everything possible under the circumstances.

Income and Deficit Account
Years Ended June 30

	1941	1940
	$	$
Gross revenue	5,163	14,751
Less: Expenses	1,017	3,165
Net earnings	4,146	11,586
Less: Bond int.	6,258	7,468
Bond expense	1,255	5,956
Net loss	3,367	1,838
Add dividends:		
Preferred	......	3,125
Common	......	1,875
Deficit for year	3,367	6,838
Add: Prev. deficit ...	373,657	154,389
Prov. invest. loss ...	10,737	216,332
Loss re furniture ..	270	......
Prior yr. taxes	387	......
Less: Red. in reserves	31	......
Adjust. re invest. ..	1,600	3,902
Tax refund	229	......
Deficit forward	386,558	373,657

Working Capital

	1941	1940
	$	$
Current assets	365	4,754
Current liabilities	915	575
Working capital	*550	4,179

*Excess of current liabilities over current assets.

Pacific Power & Water

Earnings of Pacific Power & Water Co. for the year ended June 30, 1941 showed an advance of approximately $2,300 over the preceding year, but remained well below the figures for 1931, when net profits totalled $27,635 against $11,913 for this year.

The auditors' statement pointed out that depreciation allowance was the maximum estimated allowable under income tax regulations, but in view of smaller provision in previous years, the auditors were unable to satisfy themselves as to the adequacy of the accumulated reserves. It was also stated that the allowance for provincial gross revenue tax and provincial income tax had not been made after Dec. 31, 1940, on the assumption that these levies would not be enforced under the Dominion-Provincial agreements.

Net profits were sufficient to meet prior preferred dividend requirements, with some earnings available for the second preferred, on which no dividends have been paid for nearly two years. Ross Peers, president, states that consideration should be given to the advisability of some form of recapitalization of the share structure.

Pacific Power & Water Co. operates the light and power plant at Alert Bay, B.C., and owns 100% of the share capital and funded debt of Elk Creek Waterworks Co., Quesnel Light & Water Co., Quesnel Telephone Co., and Hope Utilities Ltd. The Elk Creek Waterworks is stated to be the most important operation of the company, serving the City and District of Chilliwack, B.C. with its entire water requirements. During the year close to $20,000 was spent on the Elk Creek system.

Number of customers served by the system was stated to have dropped from 2,464 to 2,444 during the year.

Consol. Income and Surplus Account
Years Ended June 30

	1941	1940
	$	$
Total income	93,730	89,813
Less: Oper. expenses .	17,335	16,825
Insurance	1,358	1,209
Maintenance	6,573	6,866
Property taxes	1,090	853
Gross rev. tax	586	1,104
Gen. expense	7,939	10,555
Depreciation	22,772	21,943
Bond expense	1,432	1,720
Org. expense	2,273	......
Bond interest	13,273	15,121
Income taxes	7,186	4,000
Net profit	11,913	9,617
Less dividends:		
Prior preferred	10,770	10,770
2nd preferred	......	3,500
Common	......	1,855
Surplus for year	1,143	*6,508
Add: Prev. surplus ...	9,196	15,288
Tax adjust.	352	1,027
Less: Share sale adj. ..	......	612
Surplus forward	10,691	9,196
Earned per Share:		
Prior preferred	$3.32	$2.68
Paid	3.00	3.00
2nd preferred	0.57	d0.57
Paid	nil	1.75
Common	d0.32	d0.44
Paid	nil	0.10

Working Capital

	1941	1940
	$	$
Current assets	50,178	52,668
Current liabilities	15,759	13,670
Working capital	44,419	38,998

Crow's Nest Pass Coal Pays $3 for 1941

Dividend of $1.50 a share has been declared by Crow's Nest Pass Coal Co. on its common stock. The payment will be made, subject to approval by the Foreign Exchange Control Board, Dec. 2, 1941, to shareholders of record at Nov. 7.

This company has no set rate of dividend but paid another $1.50* a share in June of this year, making a total of $3 for 1941, same rate as paid in 1940 and 1939.

"Credit Houses" Proving Costly

From Our Own Correspondent

EDMONTON.—More than two years operation of treasury branches or "credit houses" by the Social Credit government has resulted in a deficit of $720,936, according to public accounts recently issued by Provincial Treasurer Solon Low.

There are about 30 treasury branches operating throughout the province in addition to an estimated 300 agencies. During the 1940-41 fiscal year ended March 31, the excess of expenditures over revenue was $344,522. Operations prior to March 31, 1940, had produced a total deficit of $376,414.

Expenditures in the last fiscal year totalled $387,664 with salaries of $166,306 accounting for a big part of the total. The consumers' bonus paid on Alberta-made goods, a policy of the treasury branch operations, cost $114,266 during the last year.

Newfoundland Stocks Of Salt Fish Rising

Moving upward in recent months Newfoundland salt codfish stocks at the end of September neared the level of the previous year. The new catch and export restrictions have tightened sales of Newfoundland exporters.

Total of all types at Sept. 30 amounted to 212,475 qtls. (112 lb.), against 281,065 qtls. at the same time last year. Stocks in both years were composed of the following:

Salt Codfish Stocks
At Sept. 30

	1941	1940
	Quintals	
Shore	131,714	157,380
Bank	37,920	62,376
Labrador & Nfld. soft cure	61,309	42,841
	212,475	281,065

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4110E

PLAN AHEAD

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Make sure that new employees are pledged at the time they are engaged.

Circularize your workers from time to time, urging them to raise their pledges.

Get them on a 5%, or better, basis, if possible.

Make it so easy for them to save that refusal is difficult.

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THE
WAR WEAPONS
DRIVE
IN YOUR
COMMUNITY

URGE YOUR
EMPLOYEES
TO BUY MORE
WAR SAVINGS CERTIFICATES

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You don't have to save up to pay a big premium. Give 12 cheques dated ahead—one for each month of the year. For example, at age 30, on a $5,000 Double Protection policy, your cheques would be for $6.15. You get your receipt by mail each month without even having to remember that your premium is due.

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Life Insurance

How to Build Goodwill

Agency Force Greatest Factor, Says Johnson

Life insurance agents are the greatest single force in creating the attitude of the public toward life insurance, Holgar J. Johnson told the Ontario Life Underwriters Convention in Toronto last week. Mr. Johnson is president of the Life Insurance Institute of the United States.

Public regard, he stated, does not just happen. It is created. But the kind of attitude created depends on the general atmosphere in which it is born. If this atmosphere is friendly the attitude generally is friendly. This Mr. Johnson said is the reason public relations has become such an important part of business policy. The importance of public relations he explained has grown with business.

When business was small and local there was no need of any special efforts to cultivate public relations. But when business became large in its scope and was being done with people in other communities who were not known personally, the development of public relations became important. Especially was this true, he said, because life insurance had grown to be such big business.

Important Factors

Three factors named by Mr. Johnson as instrumental in building the attitude of the public toward business were: what they heard; what they saw; what they experienced themselves.

While the public has confidence in the life insurance companies, because they know the companies will perform their contracts, Mr. Johnson said, mere performance itself would not be enough if the public did not know the facts. Unless the public did know the facts and understood them, he said, unfavorable attitudes might develop.

Reasons Why

Special reasons why it was necessary to keep the public informed on life insurance especially were listed by Mr. Johnson as follows:

Life insurance is a big business and many people are inclined to regard a big institution with some prejudice.

Life insurance deals with large sums of money which some people are apt to think encourages an attempt to control other business enterprises.

Some people think the life insurance companies are secretive. One reason for this he felt was that the companies in many cases have neglected to tell their great accomplishments and to explain the way the business works, what mortality rates are, etc. It is here the agency force can do a great job he claimed.

Three things, however, that had to be observed, in Mr. Johnson's opinion, if the agency force is to play its role in creating a proper public attitude toward the business were:

Continuous training of agents so they will know their business and their own company.

The agent must never resort to tricks to put over a deal because tricks break down confidence. Persistence was excusable Mr. Johnson said as long as the agent was not offensive. But persuasion to be really effective must lead to conviction in the mind of the client.

Part in Community

The agent must not stop at playing his part in the life insurance business well. He must also play his part in the community well. He should be a constructive force in the community.

Specific things the good agent does in a community mentioned by Mr. Johnson were:

By selling insurance he creates a feeling of friendly security. Life insurance itself encourages a feeling of security for the family. The agent can give it the friendly touch.

By selling insurance he builds a backlog of security against the postwar problems of readjustment which are generally admitted to be inevitable.

By fostering thrift he helps forestall the spiralling of prices or inflation. Every sale of insurance is a check of inflationary tendencies.

By building up the reserves of his own company he helps it to carry a bigger share of the burden of public financing necessary in time of war.

Democracy In Action

Life insurance, Mr. Johnson declared, is democracy in action. The agent by creating a right attitude toward life insurance helps to maintain a right attitude to democratic institutions.

Lower Commission Rates Criticized By Agents

Strong criticism of the proposal made by the Inland Underwriters Association reducing agents commission on inland marine policies was voiced at the annual meeting of the Ontario Fire and Casualty Insurance Agents' Association in Toronto last week.

In his presidential address S. O. Mason of Welland, Ont., said:

"As you are aware, this new Association, Inland Underwriters, has been formed during the past year with the object of stabilizing rates, standardizing policy forms and controlling acquisition costs. Although both our Association and the Canadian Federation advised this new Association that we would be glad to co-operate with them in connection with new plans or regulations, we were never asked to discuss any proposals and as you know, an edict was issued in June on the commission question alone, which results in lowering of commission on inland marine business effective October 1.

"We strenuously object to any Association issuing an edict on any matter of vital importance to agents without first discussing the proposal with representative agency Associations and we should stand united in our opposition to this new proposal until such a time as a complete programme is ready, such programme to be first discussed with representative agency Associations."

Form Own Finance Company

Another important pronouncement of the president was that the Association should consider forming its own automobile finance company, soon. Reason for this, he stated, was the action of certain automobile finance companies, also handling insurance on the cars coming under their finance scheme. This Mr. Mason claimed was a serious problem for the insurance agents and meant considerable loss of revenue from this class of business. He felt, however, the restrictions being placed on the sale of cars might mean a reduction in the volume of insurance available from this source.

Ontario Fire Agents Elect New Officers

At the annual meeting of the Ontario Fire and Casualty Agents' Association in Toronto last week, officers for the coming year were elected as follows:

JOHN D. KIRBY, Ottawa, president.

A. W. DUNLOP, Kingston, vice-president, No. 1 territory.

W. H. SHAVER, Midland, vice-president, No. 2 territory.

A. A. CRAISE, St. Catharines, vice-president, No. 3 territory.

ART E. THOMPSON, Windsor, vice-president, No. 4 territory.

A. R. M. RITARI, Sudbury, vice-president, No. 5 territory.

CHARLES PRIESTMAN, Toronto, secretary-treasurer.

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Company Reports

Okanagan Telephone

Okanagan Telephone Co., subsidiary of West Canadian Hydro Electric Corp., reports a small gain in revenues for the year ended June 30, 1941, over the preceding period. Working capital is shown at $41,707 against $9,217, chiefly because of a rise in cash from $15,753 to $50,381.

First mortgage bonds, 4¼%, have been reduced from $421,000 to $406,000. The 4½% debentures are shown at $217,000 against $221,000. An item of $29,218 is shown as due West Canadian Hydro Electric.

Consol Income and Surplus Account
Years Ended June 30

	1941 $	1940 $
Revenue	224,790	221,786
Less: Oper. & maint. exps.	133,235	134,104
Operating profit	91,255	87,682
Add: Other income	446	609
Less: Debt int. & exps.	30,863	32,026
Income & E. P. taxes	18,490	18,763
Net profit	42,648	37,502
Less: Dividends	29,218	25,044
Surplus for year	13,430	12,458
Add: Prev. surplus	37,511	25,053
Earned surplus fwd.	50,941	37,511
Working Capital		
Current assets	91,852	59,274
Current liabilities	50,445	50,057
Working capital	41,707	9,217

West Canadian Hydro

Steady progress is reported for West Canadian Hydro Electric Corp. in the year ended June 30, 1941, by Ross Peers, president. Electric customers increased from 3,624 to 3,739. Telephone stations increased from 5,897 to 6,043. Total gross revenue is up $25,184 and sale of electrical energy up 1.1 million kw.h. The company operates in the Okanagan Valley of British Columbia.

Construction of a new 3,500 kv.a. generator was started at Shuswap Falls which will more than double power capacity at that point. The cost is $300,000 which has been financed by sale of a new issue of 5½%, 25-year debentures.

Inland Ice & Coal Storage Co., a unit that had been giving directors concern for years, was sold at a satisfactory price, it is stated.

Funded debt outstanding at June 30 this year amounted to $2.2 millions compared with $2.1 millions a year ago.

Consol Income and Surplus Account
Years Ended June 30

	1941 $	1940 $
Revenue	479,540	454,356
Less expenses:		
Operating	59,510	61,568
Maintenance	43,860	32,004
Property taxxes, etc.	5,474	5,412
Prov. revenue tax	3,015	5,714
Gen. & administ.	59,614	54,995
Depreciation	79,003	80,131
Net revenue	229,064	214,532
Add: Other income	7,074	10,414
Net earnings	236,138	224,946
Less: Debt int. & exch.	128,002	128,226
Bond exp. w/o	4,522	4,512
Income & E. P. taxes	35,527	34,281
Net profit	68,086	*57,927
Less dividends:		
Preference	43,048	43,048
Common	10,000	10,000
Surplus for year	15,038	4,879
Add: Previous surplus	74,726	54,073
Reverse w/o assets	......	15,933
Less: Addit. inc. tax	......	159
Bond exchange exp.	2,897	......
Earned surplus fwd.	86,868	74,726
Earned per Share:		
Preference*	$1.26	$1.08
Paid	0.80	0.80
Common*	0.25	0.25
Paid	0.10	0.10

*Before allowing for participation provisions.

Shares O/s.:		
Preference, n.p.v.	53,810	53,810
Common, n.p.v.	100,000	100,000
Working Capital	$	$
Current assets	211,224	191,371
Current liabilities	94,422	87,497
Working capital	116,802	103,874

Lake of Woods

Lake of Woods Milling Co. and wholly owned subsidiary companies report net operating profit of $1.3 million in the year ended Aug. 31, 1941, an increase of $232,475 over the previous year.

Brig. Gen. Frank S. Meighen, president, states that domestic business was slow in the earlier part of the year, but improved materially in the last few months. Export trade has been excellent. Deliveries to the United Kingdom were much larger because of war conditions. The president declared that normally this increase would terminate with the cessation of hostilities, but it is regarded as probable, the enemy occupied countries of Europe will have to be supplied with foodstuffs after the war until they can resume production. This will largely influence export volume after the war.

After greater provision for depreciation and income taxes, net profit gained fractionally to $478,700 in the past year. This was equal to $2.53 on the outstanding common shares, compared with $2.52 in the preceding year.

Working capital position improved by $240,461 during the year to $1.5 million. There was $2.5 millions of 4½% first mortgage bonds issued and held by banks as collateral for a $1.9 million loan. The $2 millions of these bonds authorized but unissued was not shown in the balance sheet for the year ended Aug. 31, 1941.

Inter-City Baking Co., subsidiary of Lake of the Woods, maintained its sales volume, it is reported. The company is in a strong financial position and has made considerable improvements on plant during the year.

Income and Surplus Account
Years Ended Aug. 31

	1941 $	1940 $
Net oper. profit	1,272,133	1,039,658
Add: Dividends	35,991	35,991
Invest. inc.	1,688	2,486
Less: Directors' fees	7,790	11,250
Exec. salaries	75,709	69,100
Legal fees	1,706	190
Interest	105,753	82,164
Depreciation	196,214	100,000
Income taxes	443,940	338,830
Net profit	478,700	476,601
Less: Pref. divds.	105,000	105,000
Common divds.	177,227	73,845
Surplus for year	196,473	297,756
Add: Prev. surplus	2,176,770	1,931,514
Less: Pref. arrears	......	52,500
Surplus forward	2,373,243	2,176,770
Earnings per Share:		
Preferred	$31.91	$31.77
Common	2.53	2.52
Working Capital	$	$
Current assets	4,373,085	2,482,839
Current liabilities	2,870,897	1,221,112
Working capital	1,502,188	1,261,727
Balance Sheet Changes	$	$
Accts. rec. (net)	2,288,422	819,521
Inventories	2,007,552	1,624,386
Bank loans	[illegible]	509,000
Accts. payable	371,430	216,167

Further Gains In Life Sales

Monthly Total Shows 30% Rise Over Last Year

Life insurance sales continue to increase. Total sales for Canada and Newfoundland in September at $33.9 millions were practically 30% higher than in the same month of last year. This is the seventh consecutive monthly gain this year. Increases were shown in all provinces except Prince Edward Island. Newfoundland sales were also lower.

The largest gain per cent was 79.3% in Manitoba, with Saskatchewan up 65.8%. Alberta sales were 58.4% higher.

Sales for the first nine months of 1941 totalled $295 millions, a gain of 10% over the previous year.

The figures are for ordinary insurance exclusive of increases, revivals, dividend additions, reinsurance acquired, pension bonds, group insurance etc. They are based on the experience of 18 companies representing 85% of the new ordinary life insurance in Canada and Newfoundland and are supplied by the Life Insurance Sales Research Bureau.

Life Insurance Sales in Canada and Newfoundland
(000's of $)

	September 1941	September 1940	Change %
Alberta	1,485	937	+58.4
Br. Columbia	2,388	1,971	+21.2
Manitoba	2,306	1,286	+79.3
New Brunswick	869	756	+14.9
Nova Scotia	1,263	1,242	+1.7
Ontario	14,829	11,021	+34.4
Pr. Ed. Island	212	239	—11.3
Quebec	8,927	7,465	+19.5
Saskatchewan	1,267	764	+65.8
Newfoundland	429	475	—9.6
	33,975	26,156	+29.9

Sales by Months, 1938-1941
(000's of $)

	1938	1939	1940	1941
Jan.	31,387	28,767	33,726	28,326
Feb.	31,796	29,202	31,820	31,500
Mar.	33,461	31,710	30,265	33,700
Apr.	30,612	26,357	32,248	35,398
May	31,016	30,123	31,779	36,172
June	35,660	32,226	28,530	33,670
July	30,635	20,902	28,159	32,681
Aug.	28,446	26,494	24,698	29,597
Sept.	27,928	34,262	26,156	33,975
Oct.	32,372	31,900	31,210	.....
Nov.	37,167	33,034	32,899	.....
Dec.	36,475	34,759	33,727	.....
Totals	386,855	368,726	365,217	.....

Will Prepare Report On Car Insurance Laws

The All-Canada Insurance Federation representing 200 stock and mutual insurance companies transacting all classes of insurance in Canada except life, have undertaken to make a factual report on recent motor vehicle legislation. Particular attention will be paid to compulsory automobile insurance and financial responsibility laws. J. J. Robinette of Toronto, editor of the Ontario Law Reports, has been engaged as special counsel.

The purpose of the report is to make the information readily available for all concerned as compulsory automobile insurance is frequently suggested in this country. A committee has been appointed by the Federation as follows:

DONALD TAYLOR, London, Guarantee & Accident Co., chairman.

W. F. SPRY, Canadian General Insurance Co., Toronto, vice-chairman.

Committee

COLONEL S. W. BAND, United States Fidelity & Guaranty Co., Toronto.

A. C. HALL, Commercial Union Assurance Co., Montreal.

H. KEARNS, Shaw & Begg Ltd., Toronto.

E. MERCER, Willis Faber & Co., Montreal.

C. P. R. Car Order In States Held Up

From Our Own Correspondent

MONTREAL.—Production of 250 steel cars for the Canadian Pacific Railway was held up temporarily by a strike of 350 union workers in a wage controversy with the Ralston Steel Car Co. of Columbus, Ohio.

Dominion Appraisal
Company Limited

The personnel of this organization represents many years of experience and knowledge as professional consultants in all types of appraisal services.

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TORONTO Elgin 5928

United States
Fidelity & Guaranty
Company
TORONTO

The
WAWANESA
Mutual Insurance Company
Organized in 1896

Assets	$2,894,436.70
Surplus	1,513,855.65
Dominion Gov't Deposit	1,041,353.86

Write for Financial Statement

Head Office: Wawanesa, Man.
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What makes a House a Home
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It's living, and all the things that go with it . . . furniture, pictures, books, prized personal possessions . . . that make a house a home. Yet many homeowners, while adequately insuring the house, seriously *under-insure* the contents. When fire comes, it is often the contents that bear the brunt of the damage.

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M. NEVILL, *Br. Mgr.*, VANCOUVER

$250 in Prizes

for the best solutions of life insurance problems

OFFERED IN

THE FINANCIAL POST INSURANCE CONTEST

What Life Insurance Should I Carry?

This is a contest to stimulate discussion as to how the individual can best use life insurance to help him meet his personal, family and business responsibilities under today's difficult conditions.

The Financial Post offers contestants cash prizes for articles dealing with specific insurance problems. They will be judged for the soundness of the programme for the individual. Consideration will also be given to their general interest and value to all persons falling within the broad general group discussed.

WHO may compete?

ANYONE except employees of The MacLean Publishing Co. Ltd., or The Financial Post.

HOW to enter?

Choose one of the 4 problems below and submit a life insurance programme for that individual.

$100 IN CASH
for the best article on any one of four problems

$50 EACH for the best articles on the other three problems

AN ADDED INDUCEMENT

It is The Post's intention to run a number of articles entered in this contest, as a service to both life underwriters and to the insurance-buying public. In addition to the prize-winning articles, others will be used, for which regular space rates will be paid.

ANSWER ANY ONE OF THESE FOUR PROBLEMS

1 The young unmarried business man in his 20's with a total income between $1,500 and $2,000 a year and with excellent prospects. Ambitious, conscientious, healthy. Is saving some money but has no capital and no prospects of inheriting any. Must make his own way in the world.

2 Junior executive, total income $3,000 to $5,000 a year, 30 to 35 years of age. Has saved and invested $2,000 to $5,000. Married, has two children both under 10. No inheritance prospects.

3 A man who owns his own business, or is senior executive in a business in which he has a substantial stock interest. Total income between $10,000 and $25,000. Age 40 to 50. Investment in his own business $50,000 to $100,000. Has other investments of $10,000 to $25,000. Married; has two children, both in their teens.

4 A single business woman, age around 30, now making $100 a month, with prospects of some increases. Has $700-$1,000 saved. Helps maintain widowed mother. Dependent on her own efforts. Her main object is to build up resources on which she can retire.

If you think you can suggest the best programme for the individual visualized in any one of the problems above; and can give convincing arguments for your proposal,

START TODAY ON PREPARING AN ARTICLE!

Your Programme May Win $100

Address:
INSURANCE CONTEST EDITOR
THE FINANCIAL POST
481 University Ave.
Toronto, Ont.

RULES OF CONTEST

1. Prizes will be awarded as follows: $100 for the best article, on any one of the four problems; $50 each for the best articles on the other three problems. In addition The Financial Post proposes to publish a number of the articles that do not win prizes. These will be paid for at regular space rates or approximately $25 a piece. The number published will depend on the quality of the entries.

2. Answers must be in the form of articles of not more than 2,000 words suitable for publication in The Financial Post.

3. Answers will be judged not only on the soundness of the programme outlined and the presentation of the arguments in favor of it but for the general interest of the material presented.

4. The manuscript must be typewritten on one side of the paper only, double space.

5. Contestant's name and address and particulars as to business connections, degrees, etc., must be typed on a separate sheet attached to the manuscript.

6. The contest is open to anyone who is not an employee of The Financial Post or The MacLean Publishing Co. Ltd., whether a subscriber to The Financial Post or not.

7. Any contestant who wishes may submit more than one manuscript provided each paper deals with a different one of the groupings.

8. Manuscripts must be submitted to the Insurance Contest Editor of The Financial Post, 481 University Avenue, Toronto, Ontario, on or before November 22, 1941.

9. Any manuscript submitted will become the property of The Financial Post and may be published by it. No manuscript will be returned. Those published will appear under the name of the author.

10. Judges of the contest will be the editors of The Financial Post assisted by such outside authorities as they may wish to consult.

11. In case of a dispute or misunderstanding the decision of the editor of The Financial Post will be final.

12. The Financial Post assumes no responsibility for the suggestions made.

13. Contestants must not mention the name of any company or any special policies sold by only a limited number of companies but should confine their suggestions to the standard types of policies sold by most companies.

Taxes Hit Bank Earnings

War Vital Factor in Outlook for Bank Stocks

With business generally rising to higher levels month by month what is the earnings outlook for the stocks of the chartered banks?

These institutions, playing a vital role in the whole Canadian economy, usually find their earnings better when business expands. Increased business activity means increased demand for bank credit and the services the banks have to sell. The bank stocks therefore in normal times fill the part of a business barometer rising when the outlook is good, falling when it is otherwise.

But because the bank stocks are widely held by a great number of people, they have a more direct interest for the masses of the people.

Shares Highly Regarded

There are nine chartered banks in Canada in which there is investment interest. Their shares have always been highly regarded by investors because they offer the attractions which sound investors usually require; safety of principal; regular income; a good yield; possibility of price appreciation and ready marketability.

Because of the records of the institutions they represent, bank stocks have acquired a high reputation for safety combined with a good yield and regular dividends. They are not speculative securities bought for a quick turn but usually for a long hold. For this reason, trading in bank stocks on the stock exchanges of the country is not usually heavy. But when shares are offered in moderate volume they are usually taken up at fairly steady prices.

In the present circumstances, most of the bank stocks are selling under the equity value of the shares, with a yield substantially above that offered by high grade bonds. Interest therefore centres on the outlook for earnings. Present position of the stocks is shown in the table.

	Equity per sh.	Curr. Price	Div. Rate	Yield %	1941 Range Hi.	Low
Nationale	175	143	8	5.6	147	140
Montreal	212	185	8	4.3	195	171
Nova Scotia	310	270	12	4.4	285	263
Toronto	299	247½	10	4.0	255	240
Commerce	169	150	8	5.3	163	143
Dominion	212	189	10	5.2	200	184
Imperial	224	195	10	5.1	205	192
Provinc'le*	131	105	6	..	...	...
Royal	166	154	8	5.2	167½	148

*Not listed, price is unofficial bid.

There are three main sources of bank earnings, loans, investments and services. Interest rates of course are a factor affecting the return from the first two items.

The loans of the chartered banks in 1941 at home and abroad have been slightly above last year. Total loans outstanding at the end of August, for instance were $1.4 billion against $1.2 billion on the same date last year. The expansion was partly in current loans, the biggest single item, which were up $214 millions a large part of the increase being attributed to borrowing by investors in the war loan last June who borrowed money from the banks to buy bonds. Call loans in Canada have been lower but both current and call loans outside have been higher. Accordingly it would appear that as far as volume of loans is concerned, income from that source should be a little higher. The trend of interest rates however has been rather easy. So the gain in that field is not likely to be very large.

Increased Business

Increased business due to the war has not brought the expansion in loans which had been expected some time earlier. Many of the new plants producing war supplies are being operated by the government which supplies the necessary finances. There has however been a moderately greater demand for loans for normal industrial and mercantile purposes because of the increase in general business.

Investments have also been increasing. Total investments of the chartered banks at the end of August were $1.7 billion against $1.5 billion a year ago. But here again the yield on high grade securities has been slightly lower than previously, which will affect total income from that source.

There is no data on which to base an estimate of the earnings derived from bank services such as collections, paying cheques drawn on depositors accounts, etc. But it is believed the greater activity in business has meant an increase in this field.

It would seem probable therefore that the revenue derived from these three sources in 1941 will be higher than in 1940.

Taxes Take Part

But not all the increase will accrue to the shareholders. Increased taxes will take a large part. Higher taxation in 1940 as will be seen in the accompanying table increased the taxes paid by the chartered banks by 56%. The total Dominion and provincial taxes paid was over $8 millions. This included both Dominion and provincial taxes. There is no way of determining how much was paid to the two jurisdictions. But the increases in the Dominion tax effected by the 1941 budget mean an increase of at least 10% over last year. Accordingly it would seem that a large part of any increase in earnings the banks may make will be paid out in higher taxes.

Thus net profits for the banks for 1941 will depend on the extent to which taxes absorb any increase that may occur in earnings.

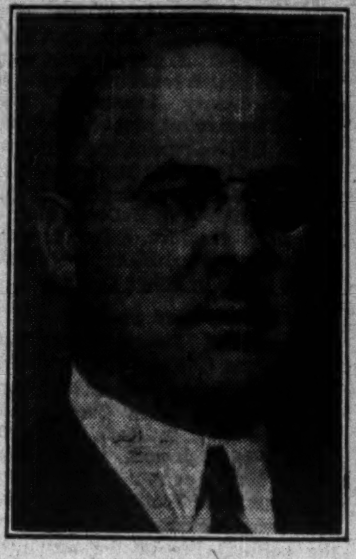
The position of the banks in the last two years is shown herewith.

Earnings Statements of Canadian Chartered Banks

	▲Net Earnings 1940	▲Net Earnings 1939	Dom. & Prov. Taxes 1940	Dom. & Prov. Taxes 1939	Pension Fund 1940	Pension Fund 1939	W/o Premises 1940	W/o Premises 1939	§Net Profits 1940	§Net Profits 1939
	$	$	$	$	$	$	$	$	$	$
Montreal	5,363,766	4,660,859	1,927,824	1,198,413	......	......	500,000	500,000	2,935,942	2,962,446
Royal	5,350,844	4,929,709	1,823,950	1,204,867	325,000	300,000	300,000	250,000	2,901,894	3,174,842
Commerce	4,531,954	3,926,527	1,525,019	988,422	253,832	256,386	350,000	250,000	2,402,203	2,431,719
Nova Scotia	2,945,358	2,592,524	1,004,027	559,191	200,000	190,000	250,000	°250,000	1,491,331	1,593,333
Toronto	2,011,080	1,803,059	566,530	328,830	150,000	150,000	250,000	200,000	1,044,550	1,124,229
Imperial	1,550,485	1,391,832	487,883	325,885	101,584	99,689	150,000	100,000	811,018	866,258
Dominion	1,328,953	*1,066,533	370,165	264,236	85,000	62,500	150,000	125,000	723,788	614,797
Nationale	1,106,152	1,032,518	233,563	189,334	60,000	60,000	125,000	90,000	687,589	693,184
Provinciale	436,685	457,173	145,600	110,300	......	......	50,000	50,000	241,085	296,873
Total	24,625,277	21,860,734	8,084,561	5,169,478	1,175,416	1,118,575	2,125,000	1,815,000	13,239,400	13,757,681

	Dividends 1940	Dividends 1939	Surplus for Year 1940	Surplus for Year 1939	Surplus Forward 1940	Surplus Forward 1939	§Profits per Share 1940	§Profits per Share 1939	Divds. per Share 1940	Divds. per Share 1939
	$	$	$	$	$	$	$	$	$	$
Montreal	2,880,000	2,880,000	55,942	82,446	1,321,642	1,265,700	8.15	8.23	8.00	8.00
Royal	2,800,000	2,800,000	101,894	374,842	3,198,146	3,096,252	8.29	9.07	8.00	8.00
Commerce	2,400,000	2,400,000	2,203	31,719	785,005	762,802	8.00	8.10	8.00	8.00
Nova Scotia	1,440,000	1,440,000	51,331	153,333	1,225,891	1,174,560	12.42	13.28	12.00	12.00
Toronto	600,000	600,000	444,550	524,229	2,974,244	2,529,694	17.40	18.73	10.00	10.00
Imperial	700,000	700,000	°11,018	*16,258	676,652	665,634	11.58	12.37	10.00	10.00
Dominion	700,000	*583,333	23,788	31,464	861,189	837,401	10.34	*8.78	10.00	*8.33
Nationale	560,000	560,000	‡2,589	‡8,184	251,038	248,449	9.82	9.90	8.00	8.00
Provinciale	240,000	240,000	1,085	56,873	248,993▲	▪247,908	6.02	7.42	6.00	6.00
Total	12,320,000	12,203,333	694,400	1,279,348	11,542,800	10,828,400	9.19	9.55	8.55	8.46

*For 10 months owing to change in fiscal year. ▲ After appropriations to contingent reserve, out of which provision has been made for bad and doubtful debts. ▪ After provision for contingencies of $50,000. ‡ After payment of $125,000 to Province of Quebec. ° After reserves for contingencies of $100,000 in 1940 and $150,000 in 1939. § After all deductions including amount written off premises. In some cases this is additional to depreciation taken before showing net earnings.



MORRIS W. WILSON

ARTHUR SURVEYER

Shawinigan Water and Power Co. announces the election to the board of Morris W. Wilson, president of the Royal Bank of Canada and Dr. Arthur Surveyer, well-known Montreal consulting engineer and past president of the Engineering Institute of Canada.

Bank of Canada Assets Higher

Increase Mainly in Sterling and Dominion Government Securities

An increase of almost $14 millions in assets is shown in the statement of the Bank of Canada for the week ended Oct. 15 over the previous week. This increase was mainly in holdings of sterling and U. S. exchange and also in short term securities of the Dominion Government.

The bank reduced its holdings of sterling substantially the previous week but is now evidently building it up again reflecting further sale of Canadian dollars to the Foreign Exchange Control Board for sterling received from the United Kingdom.

Dominion government deposits with the Bank of Canada were up slightly, as well as miscellaneous deposits. Note circulation also rose $4 millions indicating a greater demand for cash, owing probably to the fall expansion in business.

	Oct. 15 1941	Oct. 8 1941
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	444,506,957	440,731,526
Rest fund	3,722,910	3,722,910
Depos.: Dominion	28,613,722	22,131,924
Banks	208,338,040	208,869,431
Other	10,656,146	8,033,014
Total deposits	247,607,908	239,034,369
All other liabs.	14,633,793	13,269,102
Total liabs.	715,471,568	701,757,907
Assets		
In sterling and U. S.	22,495,079	15,844,520
Subsid. coin	526,257	527,599
Advances	1,500,000	1,000,000
Investments:		
Dom. govt. short	541,855,771	517,219,746
Other Dom. govt.	126,200,604	148,491,275
Total invest.	668,056,375	665,711,021
Premises	1,815,543	1,815,428
All other assets	21,078,314	16,839,339
	715,471,568	701,757,907

Bank Chat

Members of the American Bankers' Association at their annual meeting in Chicago, received a direct challenge from many of the speakers to come to close grips with the problems confronting the nation and those likely to face it in the postwar period.

Dean W. Malott, chancellor of the the University of Kansas made a particularly strong appeal for leadership from the banks in rallying the people "to the urgency, the self sacrifice, the action needed to preserve our very way of life. You are not fulfilling your jobs unless each of you contributes to this colossal task," he said. Problems such as inflation, he declared, are primarily "the problems of banking and finance . . . You cannot leave such matters to Washington and retire to the stratosphere."

He appealed for the banker to become once more the leader of thought in the communities of the country. If the members of the association were uncertain as to methods to be followed, now was the time, he felt, to get under way the greatest factual and analytical study ever undertaken.

Weekly Bank Clearings

	Oct. 16 1941	Change Year Ago	Oct. 9 1941
	$	%	$
Halifax	3,018,435	+9.0	3,650,170
Saint John	1,922,157	+6.1	2,203,238
Moncton	861,228	+5.0	1,101,093
Sherbrooke	958,251	+14.4	1,265,808
Quebec	5,347,136	+9.4	5,172,549
Montreal	120,648,138	+24.5	135,492,526
Ottawa	32,043,705	+9.4	60,488,465
Kingston	686,246	+12.8	869,527
Peterborough	788,204	+37.9	767,772
Toronto	126,173,300	+23.0	139,323,884
Hamilton	6,291,771	+20.9	7,384,196
Kitchener	1,171,298	+10.3	1,218,711
Brantford	1,028,792	+25.1	1,219,135
London	2,497,171	—2.5	3,012,472
Chatham	564,906	+4.1	699,567
Sarnia	536,569	+45.7	457,799
Sudbury	1,099,812	+23.6	1,003,211
St. Catharines	1,287,125	...	1,186,651
Windsor	3,202,406	+14.4	3,201,408
Fort William	916,882	+21.8	1,168,166
Winnipeg	53,594,034	+45.2	56,994,678
Brandon	417,074	+9.0	517,700
Regina	5,955,844	+0.2	6,394,473
Saskatoon	1,711,720	+1.1	1,854,228
Prince Albert	485,476	+7.5	544,378
Edmonton	4,940,536	+14.8	5,234,987
Calgary	6,513,591	+15.2	6,711,117
Lethbridge	582,015	+0.6	613,290
Medicine Hat	408,773	+7.0	465,428
N. W'minster	761,990	+21.0	975,980
Vancouver	17,738,077	+12.5	19,707,910
Victoria	1,709,062	+5.5	2,166,645
Moose Jaw	890,379	+7.8	729,033

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

L. R. CRAMMOND to be manager, Petitcodiac, N.B.

J. T. HOLDER to be manager, O'Leary, P.E.I.

Company Reports

Hayes Steel Products

Output of Hayes Steel Products Ltd. has steadily increased over the past year, states Charles A. Dana, president, in presenting the annual report for the year ended July 31, 1941. Much of the company's production is being shipped for use in defense work, he states, and it has been able to add buildings and equipment when needed with the support of the government. He states that the company has been able to take care of regular customers along with the increased defense programme.

Net profits last year were equivalent to $3.51 a share on the company's common stock. The last previous report only covered a seven months' period and direct comparison is not possible. During this seven months' period, however, the company reported $1.04 a share on its common. No dividends have been paid.

Balance sheet shows large gains in current assets and working capital. Details of changes are listed below. No change took place in amount due Spicer Manufacturing Corp. which remains at $75,000, all due within one year.

Consol. Income and Surplus Account
Year Ended July 31, 1941

	$
Operating earnings	1,854,421
Less: Executive & legal	101,194
Directors' fees	1,187
Depreciation	444,351
Income & E. P. taxes	992,000
Net profit	315,689
Add: Previous surplus	338,881
Income tax adjust.	41,427
Less: Depreciation adjust.	52,110
Earned surplus fwd.	643,887
Earned per Share:	$3.51
No dividends paid.	
Shares O/s., n.p.v.	90,000

Working Capital
As at July 31

	1941	1940
	$	$
Current assets	2,446,133	917,224
Current liabilities	1,668,900	479,524
Working capital	777,233	437,700

Balance Sheet Changes

	1941	1940
	$	$
Cash	281,603	84,818
Dominion bonds	149,500	......
Receivables:		
Trade	727,684	326,215
Other	214,048	42,854
Inventories	1,106,217	476,255
Accounts payable	647,354	329,882
Tax reserve	1,021,546	149,642

Blue Ribbon Corp.

Blue Ribbon Corp. reports net profits equivalent to $3.90 a share on its preferred stock in the year ended June 30, 1941. This compares with $4.61 a share for the previous year. In the latest period, however, the company provided a special inventory reserve of $22,000 where none was mentioned a year ago.

The report states that recently directors ascertained that a former director had made profits on the purchase of shares of a subsidiary and that he had also received other moneys for which directors considered he was accountable to the company or the subsidiaries. Claims have been made and a settlement effected, resulting in some recovery and the possibility of a further recovery. The directors are satisfied that the price paid was considerably below the actual value of the shares acquired and no provision is required in the accounts in this connection.

Sales in the past year were well maintained. Present inventories are lower than a year ago, but stated to be sufficient to care for current business requirements. It is suggested supply of raw material, most of which comes from overseas, may become increasingly difficult because of shipping shortages.

Bank loans have been reduced from $1.3 millions to $928,919.

Consol. Income and Surplus Account
Years Ended June 30

	1941	1940
	$	$
Operating profit*	331,548	317,962
Less: Depreciation	84,335	87,363
Spec. inventory res.	22,000	......
Income & E. P. taxes	108,680	92,945
Net profit	116,533	137,654
Less: Pref. divds.	74,625	74,625
Surplus for year	41,908	63,029
Add: Prev. surplus	250,338	187,309
Less: Addit. inc. taxes	21,527	......
Earned surplus fwd.	270,719	250,338
*After deducting:		
Legal fees	1,267	1,300
Exec. salaries	73,300	74,000
Earned per Share:		
Preferred	$3.90	$4.61
Paid	2.50	2.50
Shares O/s.:		
Preferred, $50 par	29,850	29,850
Common, n.p.v.	63,475	63,475

Working Capital

	$	$
Current assets	2,424,768	2,624,335
Current liabilities	1,411,539	1,707,175
Working capital	1,013,229	917,160

Asbestos Corp. Sales Holding Up Well

From Our Own Correspondent

MONTREAL.—Moderate decline is reported in sales of Asbestos Corp. Ltd. for the current year to date, compared with the like period of 1940. As there has been an upward trend recently, it is anticipated that by the end of the year sales for the full 12 months will be about the same as for 1940.

The company's markets have been greatly disrupted as a result of the war. It has lost its markets in Europe, Australia and Japan, which represented an important part of former sales. However, other outlets in the United States, South America and Britain, have shown an increased demand and have taken up the slack to considerable extent. The shipments to Great Britain, which were down earlier in the year owing to a scarcity of shipping space, have since shown a compensating increase.

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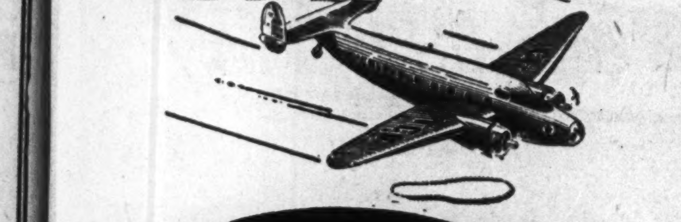

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Men and Issues in N. S. Election

Intense But Undramatic Fight in Last Week

From Our Own Correspondent

HALIFAX. — Unspectacular but intense, Nova Scotia's general election campaign asks voters to choose 30 of the 65 candidates before them and has yet to produce a dramatic development.

Extreme partizanship, not unusual in the past in this province, has been lacking, the 30 Liberals confining themselves largely to discussing their record in the last eight years, the 29 Conservatives to their claim the election ought not and need not have been held, and the six C. C. F. candidates to condemnation of both old-line parties and a programme as difficult to define as in the Dominion field.

Federal participation in the campaign is entirely missing. Veteran Premier A. S. MacMillan, who succeeded Hon. A. L. Macdonald, now Minister of Naval Services, since the last general election, explains that Dominion Ministers are too busy with their war work, Leonard W. Fraser, heading the Conservative Opposition for the first time in a general election, gives the same reason for the absence of federal spokesmen for his own party.

The usual mixture of federal with provincial issues also appears to be lacking, though, it is said by the Premier, an agreement affecting Nova Scotia's finances is now pending at Ottawa.

Indications are that it will be more drastic than anything proposed since Confederation, but neither leader, so far, has discussed this question. It was considered pressing enough, however, to take the Premier to the federal capital a few hours after he had announced the dissolution of the Legislature and the date of polling.

Unusual Absence

In a province where federal-provincial financial arrangements for generations have been considered unsatisfactory and have been made the issue of elections, this absence of discussion may be considered most unusual.

The need for the utmost war effort and minimum interference with federal affairs at this time is given as the reason for silence in administration circles.

But that reason was not deemed enough to postpone the election, contends Opposition Leader Fraser, who, weeks before dissolution, proposed to the Premier that the British example be followed and the life of the House be extended for such time as was fair, reasonable and in the public interest.

Undemocratic, retorted Premier MacMillan who found a Liberal "tradition" of elections every four years.

Untrue, came back the Opposition, citing four of the six elections called since 1900 by Liberal Premiers after five, rather than four sessions of the Legislature. Liberal Opposition to the abolition of the life-membership Legislative Council also is recalled.

Liberals contend an election now is causing less turmoil and confusion than if it had been delayed until next spring. Conservatives reply that the Legislature, at a 30-minute sitting, could have averted the vote this year and next, as they proposed, and have avoided diversion of time from the war effort, waste of gasoline and large expenditures of public money needed for war purposes.

A Point for Opposition

On the one hand, county war savings chairmen, including two Liberal candidates, proposed deferring their call for money until November because of the election—a point for the Opposition.

Announcing a final decision to hold the savings campaign along with that in the rest of the Dominion, the Premier said the election, with its speech-making and radio time, gave unequalled opportunity to press home the need for savings.

There that issue stands, but, whatever party leaders say, there is considerable public resentment at the fact the province is going through the pangs of a general election. Where there is no resentment, indifference is rife, so much so that candidates on both sides are unable to make the usual estimates of voting strength.

The government is stressing its record of road paving, directed by Premier MacMillan himself when he was Minister of Highways, Old Age Pension, health and education outlays.

In the last eight years the government has ringed the province with hard-surfaced highways, says the Premier.

Health Outlays Up

Excellent—and to be continued as the war permits—agrees the Opposition, except that secondary roads serving the bulk of the rural population have been neglected. The Conservatives pledge that these shall be improved, if not paved.

Health expenditures have gone up and services have been improved, the government says, but the Opposition points to many isolated sections still without medical services of any kind and declare they propose to provide them.

Old Age Pensions have brought millions of dollars in federal money to the province, the Administration asserts.

Agreed, said Mr. Fraser, but no account is taken in the pensions or in mother's allowances of the higher costs of living. He proposes that the province shall increase its allotment to both by 20 per cent.

It it raises old age pensions votes, then the federal government will reduce its contribution by a like amount, a minister of the government says.

Alleged failure to utilize Nova Scotia's latent resources of man power, steel, coal and timber in a widespread revival of the historic shipbuilding industry evoked the pledge from the Conservatives that they would use the credit of the province to the point that was economically sound to create a new industry here.

A few days later, the Provincial Minister of Industries, made a federal announcement that three steel merchant ships are to be constructed at Pictou, old-time shipbuilding and trading port. This complemented Premier MacMillan's picture of many yards in the province already engaged in the production of smaller craft for naval service.

The government points to the direct aid it has given fishermen through loans designed to rehabilitate those who gain their livelihood on the sea and who, in some districts, have had incomes as low as $300 and $400 a year.

Opposition Leader Fraser claims this is not enough and points to the depressed condition of the industry on the eve of war. He proposes to establish a portfolio of fisheries, under a minister with practical knowledge of the business, and more first-hand aid to producers.

The Premier goes into the election with long political experience behind him, including membership in three governments and the now defunct Legislative Council. A farmer and lumberman, of late years he has been most active as a contractor carrying through many projects of a public and private nature, including the building of port facilities at St. Pierre Miquelon. Once in his varied career, he was employed by the provincial government as inspector of rural telephone systems.

In the immediate past, Premier MacMillan, now Provincial Secretary, has been Minister of Highways carrying out a programme of paving more than a thousand miles of road. He resigned that portfolio shortly before the last session of the House, naming in his stead J. D. McKenzie, a creamery operator and native of Ontario. At the same time he selected the Hon. Harold Connolly, former newspaper managing editor, as his Minister of Industries and Publicity.

Attorney General J. H. MacQuarrie likewise faces his second election as Minister, as does Hon. L. D. Currie, Minister of Mines. The latter is participating in the only straight-party contest in the province between the C.C.F. and Liberals, and in a Cape Breton constituency where the third-party movement has reached its greatest proportions. The Hon. J. Willie Comeau, senior member of the House and Minister without portfolio, is running in Digby, while the Hon. J. A. McDonald, Minister of Agriculture, a farmer and orchardist, has a straight party fight on his hands in Kings County.

Fraser Good Speaker

Leonard W. Fraser, Opposition Leader, was elected to his position a little less than a year ago. He has occupied the seat in Cumberland vacated when P. C. Black, until 1923 Minister of Highways, went to the federal House as sole Conservative M.P. from Nova Scotia. A barrister, Mr. Fraser has been associated with the political life of the province almost continuously since his graduation from Dalhousie University law school in 1925, as secretary to then Premier E. N. Rhodes, and later in the Provincial Department of Information. He ran in elections in 1933 in Guysboro, a seat which only once since 1867 has returned a Conservative, and in Hants County in 1937 against the present premier, Hon. A. S. MacMillan. Both times, he was defeated.

Tried in this difficult school, he is an excellent public speaker and is waging a strenuous campaign in Cumberland County, where the Conservative margin in the last federal general election was nine votes.

All four Conservative Opposition members of the last House are in the field again. They won five at the general election but death caused one vacancy. The only C.C.F. member also is running, and in this contest he is joined by five others, four of them in Cape Breton, and one in Halifax North. In that seat the Hon. Harold Connolly is facing both C.C.F. and Conservative assaults. Mrs. M. R. Lownds, Halifax housewife who first campaigned in 1911, the only woman contesting a constituency, is one of his opponents. Mrs. Lownds is the third woman to run an election in Nova Scotia. The first two were Mrs. Grace McLeod Rogers, Conservative mother of the late Hon. Norman McL. Rogers, and Mrs. Bertha Donaldson who ran on a Labor platform. That was in 1920.

As to the outcome, Conservatives point to the 143,000 votes they polled in the last election to the government's 165,000, though they won only five of the 30 seats. On the other hand, the Liberals stress the record since Confederation—62 years of Liberal Administration, 12 of Conservative—and their present standing in the federal house where they hold all seats but one in the Nova Scotia representation.

Alberta Shows Higher Surplus

Decreased Outlay Gives Province Better Than Budget Results

In conformity with improved financial operations of provincial governments Alberta reports increase in surplus in the year ended March 31 and a drop in public debt.

The province, now negotiating refunding of its debt with debenture holders, reports an overall surplus of $2.3 millions for the year, compared with $336,522 last year.

Revenue for the year of $24.9 millions was within $3,329 of estimates, but ordinary expenditure of $20.6 millions was $3.2 millions lower than the Aberhart government budgeted for during the year.

Debt Shows Decline

Ordinary surplus was thus $4.4 millions, whereas the province had estimated it at $1.2 million. Net capital outlay totalled $2.1 millions.

Funded debt at March 31 decreased by $43,917 from the end of the preceding year to $156.1 millions while net funded debt declined by $736,218 to $142.2 millions. Net funded and unfunded obligations were lowered by $3.2 millions to $144.7 millions. Debt guaranteed by the province was pared $752,719 to $8.5 millions.

Social Credit Board

Alberta's Social Credit board cost provincial taxpayers $19,149 in the 1940-41 fiscal year ended March 31, according to the government's public accounts for that period. The 1939-40 costs totalled $40,424.

Little is heard of the board's activities compared with the early days of Premier Aberhart's regime. But L. D. Byrne, now known as the board's technician rather than "expert" as he was called when he first came from England, still accounts for an important slice of the annual costs. Salary item of $6,000 for Mr. Byrne is included in the year's total outlay.

Income Taxes Up

Alberta income tax produced $2,204,640, or $704,640 more than was estimated, in the 1940-41 fiscal year ended March 31, according to Provincial Treasurer Solon Low's public accounts.

This figure likely will be discussed when the province and the Dominion complete arrangements for transfer of income tax collections to Ottawa, probably about Nov. 1.

In a recent address Mr. Low used the figure $4 millions as the approximate amount of compensation which the Dominion would pay to Alberta for the latter's loss of income and corporation tax revenues. Mr. Low said the province could "get by" on that amount by careful management of provincial departments.

Unpaid Bond Interest

Alberta government's trust account representing unpaid interest on provincial debentures reached $6,303,409 during the 1940-41 fiscal year ended March 31 last. That is the total of interest unpaid on bonds since June, 1936, when the province reduced its payments of interest by 50%.

Revenue and Expenditure
Years Ended March 31

Revenue:	1941	1940
	$	$
Dominion subsidy ..	1,787,475	1,787,475
Gasoline tax	3,221,726	3,096,644
Income tax	2,204,641	1,794,532
Corporations tax	1,033,070	1,080,162
Other taxes	2,532,000	2,597,205
Licenses	2,961,511	2,812,113
Fees	3,090,270	2,917,950
Fines & penalties ...	95,958	87,494
Liquor control	3,143,501	2,870,348
Expense refunds	3,800,891	4,110,004
From revenue assets	966,110	1,184,594
Miscellaneous	84,507	71,510
	24,921,669	24,410,040
Expenditure:		
Debt charges	3,816,856	3,827,781
Education	3,095,433	2,868,398
Legislation	179,813	381,817
Central govt.	2,310,722	2,239,903
Justice	767,255	758,046
Agriculture	546,630	573,602
Public domain	556,276	606,284
Welfare and relief ..	7,735,394	8,968,947
Highways	1,460,455	1,551,255
Miscellaneous	101,842	146,076
	20,570,676	21,922,189
Ordinary surplus	4,350,993	2,487,851
Net capital exp.	2,080,148	2,151,299
General surplus	2,270,845	336,552
Debt Position at March 31		
	1941	
Funded debt	156,099,000	156,143,000
Less: Sinking fund..	13,909,000	13,217,000
Net funded debt	142,190,000	142,926,000
Unfunded debt	8,248,000	8,573,000
Less: Cash & invest's	5,697,000	3,559,000
Net funded and unfunded debt	144,741,000	147,940,000
Less: Income assets .	23,739,000	23,650,000
Net debt	121,002,000	124,290,000
Net guar. debt	8,501,000	9,253,000

Trade Winds

In years gone by commerce depended largely on the winds that carried its ships up and down the coasts or across the seas. Those traders who survived were those who looked forward, who debarnacled their ships, mended their sails and loaded their cargoes in readiness to sail when the winds so favored.

Commerce no longer depends on capricious winds or currents. The trade winds of today just keep blowing along. We must at all times be prepared and ship-shape for many ventures and emergencies.

1942 Business is just up ahead. Is your office ship-shape . . . have you prepared for the handling of the many records involved and the transfer of your current records for quick accessibility and reference? Don't leave it too late! To avoid delays and disruptions, now is the time to prepare for the trade winds of 1942. For the right files, the right filing system and experienced advice write or phone your nearest "Office Specialty" store.

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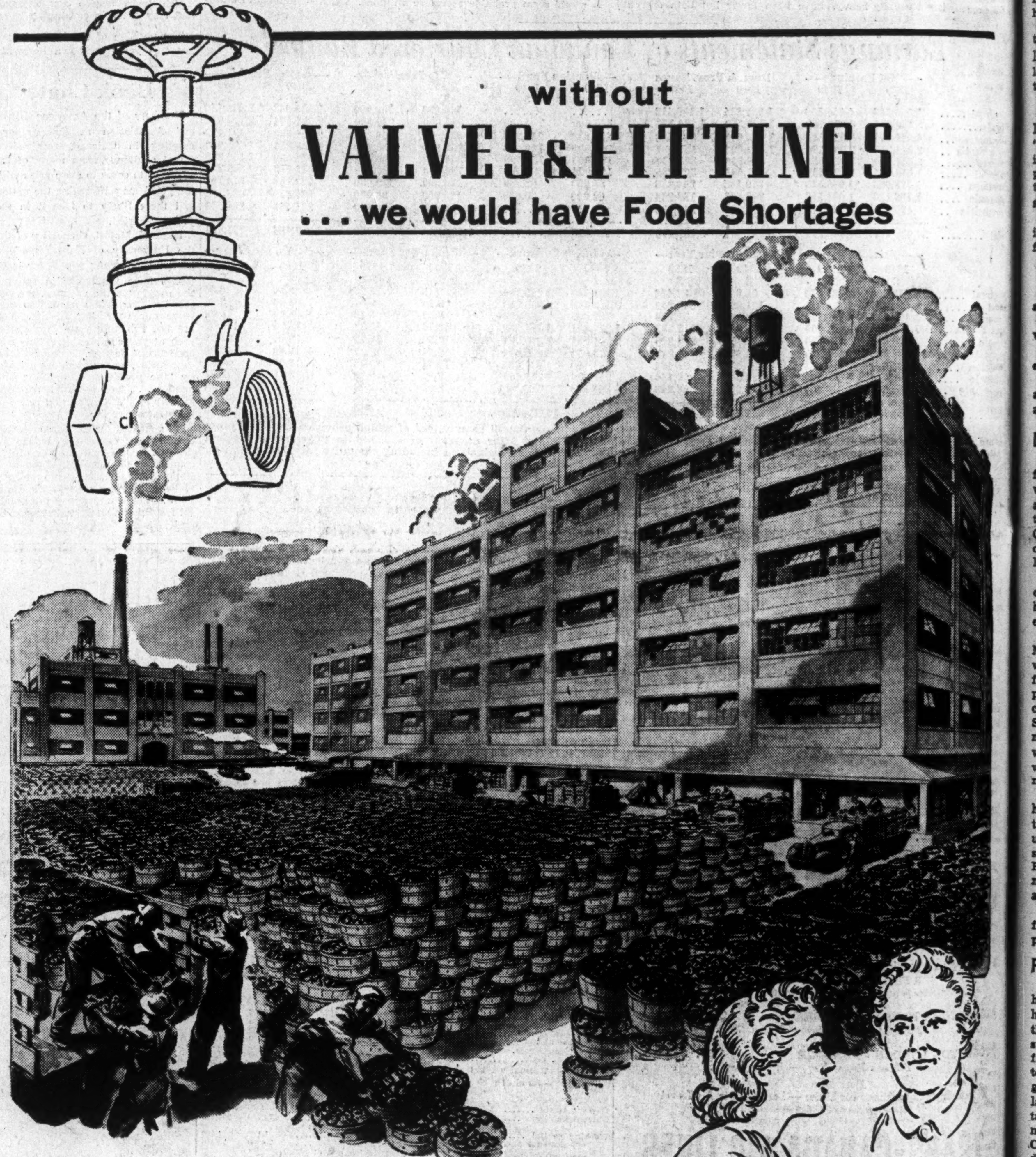

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First, to supply all Canadian industry with the valves, fittings and fabricated piping vital to its operation.

Second, to utilize our plant capacity to the utmost in filling the Government's munitions requirements.

Third, to furnish plumbing and heating materials for army camps and workers housing.

These three must take precedence

* * *

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Canada Smashes at Hitler—With Food

Giant Canadian Industry Gets in Step With March of Total War Effort

B. T. Huston, editor of Canadian Grocer, has been secretary of the Food Products Association since its formation in 1920. One of the best known authorities on food merchandising in the Dominion, Mr. Huston has been editor of MacLean Publishing Co.'s Canadian Grocer since 1908.

By **B. T. HUSTON**

Food doesn't win a war, but surer than shooting, lack of food will lose one. Napoleon knew that in the days when an army consisted of a handful of front-line soldiers. It's more true than ever today, when the front lines run through (and behind) the factories. And as the war goes on, Napoleon's copy-book maxim is being brought home to Canadian housewives with unexpected force.

For over 12 years, Canadians have got into the habit of telling themselves that nothing like a food shortage could develop in their land of plenty, that the real food problem was to produce less food, not more.

All that has been topsy-turvied overnight.

The land of plenty is still with us, but the landscape is beginning to be dotted with "Keep-off" signs, and the price of admission is going up. Pantry shelves are vacant in places and menus are making strategic retreats and advances in line with the grander strategy of war.

Every time the housewife shifts her buying, she can trace the cause back to one of five reasons:

1. We have to help feed Britain.
2. We have to conserve foreign exchange.
3. We have to take what shipping is available.
4. We don't do business with Hitler or his victims.
5. We have a policy that farmers must see enough profit to stay in business.

Biggest difference between today's dinner and the pre-war banquet lies in the disappearance of imported foods.

Disappearing Foods

The Canadian palate is going to miss the flavory delicacy of many imported foods to which it has been accustomed and especially at Christmas time. But even if a number of them are banned because of war exigencies, Canada is blessed with an abundance of its own production and a famine is not even below the horizon.

Imports of several foods are off because of the Baby Budget of December, 1940; and because it's impossible to get them from enemy and over-run European countries.

Nearly a year ago the Dominion Finance Minister brought down an interim budget which cut off a wide list of imported foods from non-sterling countries. The exchange problem was then (it still is) acute and it became necessary for Ottawa to conserve United States dollars to pay for much needed equipment. The order was that none of these foods would be allowed into Canada unless they were in transit at time of budget announcement—not those merely on order.

In view of the fact that some importers had brought in heavy shipments in anticipation of some such action, and as there are usually carry-overs in certain lines, we may still see a number of them on grocery shelves. But it's a foregone conclusion that before many weeks pass they'll have completely disappeared.

What are these foods that have vanished from grocery shelves or will have as soon as present stocks are completely liquidated?

From Sardines to Cashews

Although sardines were not on the prohibited list from non-empire countries, none have come out of France or Norway since those countries were overrun. There are no stocks in wholesale hands and it would be like finding the proverbial needle in the haystack to locate a tin in a retail store. Some Portuguese sardines are still in the country but the latest report is that the United Kingdom has taken over the balance of the supply and no more imported sardines will be available for Canada this year. The Dominion's own sardine industry, which operates some of the largest packing plants in the world, has prevented the import shortage from carrying through to the Canadian dinner table.

Canada used to bring in quite a lot of Dutch cocoa from Holland but for obvious reasons none is now coming. In spices, we get caraway seed also from Holland and today it's very scarce here. Cream of tartar came from France and since that country capitulated to the Germans none has been brought in. However, we are getting a substitute from the United States although the quality is reported inferior.

The December, 1940, budget stopped imports of non-British canned fruits and vegetables which had been coming mostly from the U.S.A. and Hawaii; shelled walnuts from Manchuria; pecans from the U.S.A.; Brazils from South America; almonds and filberts from Spain; walnuts in the shell from California. Inasmuch as all these have not been permitted to come into the country for nearly a year, they are practically off the shelves of grocery stores even though there were small carryovers in some of them. British India is now about the sole supplier of nuts. We get all of our shelled walnuts from there although the quality is not so good, our cashews and most of our eastern peanuts. Some of the latter can still be imported from China under permit. So it looks as if the nutcracker can be polished up and laid away until the war ends as it will have little work to do.

No figs from Turkey can be imported. Some importers were hopeful of securing a fig shipment from Portugal but this is beginning to fade. Arrangements were made for Portuguese shippers to accept sterling providing Ottawa would agree. But there have been so many delays and it's so difficult to arrange for letters of credit that the whole thing is off this year. There has been a little carryover from last year, but there are no table figs available. Dates, on the other hand, are in a more fortunate position as they are bought in sterling in Iran and Iraq. Nevertheless it's uncertain at time of writing whether any will arrive in time for Christmas. If not they should be here early in the new year.

Olives on Stop List

We used to import a lot of ripe olives from California but they were also put on the stop list. Arrangements were made several months ago to bring in green olives from Spain when paid for in sterling and so far there has been no shortage. It looks as if there will be plenty for the balance of the year and manufacturers are now endeavoring to secure further supplies.

Cutting off non-British canned fruits and vegetables has not been of serious consequence except from the standpoint of food brokers. Canada has been extending her production in these lines and we continue to bring quantities from Australia and South Africa, with canned pineapple from Singapore. Transportation however has been a big problem and these imports have been reduced.

The getting of tea from India and Ceylon has been a problem all this year with many importers worried at times as to whether or not they would run short. The problem here again has been transportation. The British Navy was unable to release sufficient ships to ensure our usual purchases which have been amounting to close to 40 million pounds per year. To make matters worse, a few months ago Ottawa, to save more exchange, stopped imports of non-British black tea, much of which had been coming from the Dutch East Indies. The odd shipment continued to arrive from India and Ceylon and wholesalers have been rationing their retail customers so that there would be no definite shortage. Now the shipping situation looks a little brighter with the seas a bit more tranquil. Tea prices have however shot away up and it's only the poorer grades that are selling today under $1 per pound to the consumer. Coffee has been a different proposition. Our proximity to the South American markets has enabled us to bring in sufficient with no danger of a famine and we are still getting quantities from British East Africa.

When you line them up, the number of imported foods which have trooped off the retailers' shelves is pretty impressive. But their number outranks their importance, not one is a really big gun in the Canadian food front.

Far more important to unfinicky Canadians are the trends in what we produce at home. Since Britain sat in at the breakfast table, it has been a case of plenty for all, but Canadians no longer get the first grab.

Total food supply in Canada is, of course, adequate, but Canadians are being forced to switch their taste for certain products needed in the United Kingdom to others that are not. Consumption of some of these has already been voluntarily curtailed and next summer we are going to see definite shortages in others.

Pork products for domestic consumption are on the short side because of Britain's need for 425,000,000 pounds of bacon this year. The fact that during the coming twelve months she will require 600,000,000 pounds of Canadian bacon—a 40% increase—means that we may be still shorter next year unless hog production moves up to that extent. Canadians will be quite willing to reduce their consumption to help the Motherland in its hour of trouble and we are asked to curtail consumption by 50%.

U. K. Takes Canned Tomatoes

Most of our cheese has been earmarked for Great Britain, who this year is seeking 112,000,000 pounds or some 20,000,000 above a year ago. Our own domestic consumption is about 40,000,000 pounds annually which means a total make in the present crop year of approximately 150,000,000 pounds to take care of British and domestic trade. Right now manufacturers of processed cheese are using up last year's make because they cannot get the mild. Thus stocks of old cheese in Canada will soon go into consumption and there is no new to take its place going into storage; so a shortage next year is apparent.

Following months of negotiations the United Kingdom has agreed to take 300,000 cases of our canned tomatoes out of 850,000 first mentioned nearly a year ago, at a definite price, Montreal. This year's pack looks to be one of the biggest in history, likely well above the 3,000,000 case mark. It may be close to that of 1937 which was over 3,500,000 cases, apart from home-canners, and which was the high mark for all time. There is a possibility the British Ministry of Food may want more, but whether it does or not it looks as if there will not be any domestic shortage before 1942 pack.

As far as flour, macaroni and cereal products are concerned, Canada has an abundance with no chance of a shortage. We have plenty of fats, beef, lamb, poultry, fish, fruit juices, milk and sugar.

Mix all these food facts together and you pour out a gloom labelled "higher cost of living." And food costs have led the parade.

Why? Because it costs more to bring imported foods to Canada; because Canadians need more food, bid against each other and against the British buyers; because labor is scarce and wages are higher; because government taxes and regulations have levered up prices.

As an instance, when war broke out a 10c per pound special tax was placed on both tea and coffee in addition to the former duties, import and sales taxes. At this same time prices in primary markets have gone away up and there are higher freights and war risk insurance. Naturally these products advanced. Ottawa, too, has restricted imports of vegetable oils from non-British countries to the extent of 30%, thus forcing up prices of vegetable shortening and soap. Imports of non-British foods such as canned fruits, vegetables and fish, nuts, and many other lines have been curbed resulting in greater demand for similar Canadian and other empire products.

Basic fact of farm economics is that the greater part of the agricultural economy, the price and wage set-up had gradually become adapted to the depression, to a period of dwindling production in which many farmers and farm helpers only held to the land because there were no other opportunities. The profit margin, where there was a profit, was too low to encourage increased production, particularly when factory jobs and army life were offering their attractions to farm workers.

With the United Kingdom asking for more and more Canadian bacon, cheese, canned milk and other products, the government saw that prices of milk and hogs were raised to the producer to ensure the additional quantities desired. This year, for instance, we have promised Great Britain 112,000,000 pounds of cheese as compared with a little over 90,000,000 a year ago.

Eggs For United Kingdom

Eggs are still another example. Ottawa is arranging to send greatly increased supplies to the United Kingdom and the heavy exports already have kept this market several cents per dozen above that of a year ago. It will thus be seen that through the greatly increased demand from the United Kingdom, and Ottawa's anxiety to stimulate production, prices of many farm and processed farm products have been raised to the consumer, thus adding to the cost of living. On the other hand, there has been little or no change in bread and cereal prices since the war started. The processing tax on wheat and on flour to the baker did add to costs but the government frowned on any increase in bread prices. Now that the tax has been rescinded, Ottawa hopes to obviate such an increase.

But the price shifting has by-passed one of the most important links in the chain from soil to shopper—the processer and distributor.

In bread, for example, the price increase has not been passed on to the consumer at all. It bottlenecks in the baking company, where it ultimately has to be absorbed by the shareholder.

In addition to wartime regulations and controls, the continuing keenness of competition in the food trades partly accounts for the falling profit margins, and as well it is the announced policy of many companies to keep these margins down as a contribution to the war economy.

But to the shareholder, all these factors boil down to the same thing. His investment is only secure in those companies which are able to meet lowered unit profits by wholesale increases in volume.

Because his dollar is usually backing the larger companies in industry, the investor is to a great extent insulated by the power of mass sales from the full force of the present decreasing profit margins.

All the factors mentioned above cannot help but be materially affected by the sweeping new controls instituted this week by the Dominion Government. These controls, which are aimed at placing a ceiling on cost of production on the one hand, and selling prices on the other, are discussed elsewhere in this issue.

Net outcome of the present forces at work on the investor's dollar will not be known until after the war is over. There may be other changes in government policy before that time.

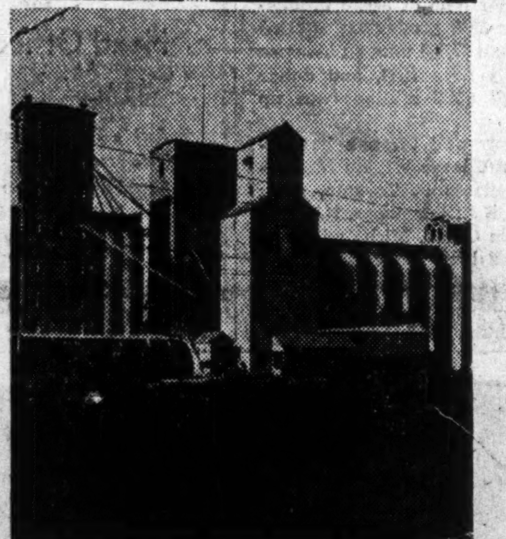
But, in any event, the food industries in this war will have added a new word to the language—"lossiteering." Only by the development and aggressive use of large and costly production and distribution machinery have they been able to maintain earnings.

Packing

Over three times as many porkers will leave Canada for Britain in the coming year as were ever exported to the British Isles under the Empire economic agreement. To do it, the third bacon agreement is starting out at a price $4.08 per 100 lbs. higher than last year. Faced with the possibility of having to find markets for a 50-ton weekly surplus after the war, packing companies are taking steps to insure the permanent popularity of Canadian bacon in British markets.

Dairies

About a third of the housewife's dollar goes for dairy products in one form or another. Rising employment and national income have brought sharp increases in the operations of Canadian dairies, creameries, cheese factories. Now able to use their large capacity to a fuller extent, earnings (before taxes) of most companies have shown important gains, much of which has gone back to the government in taxes.



Wheat & Flour

War and wartime transportation problems have caused Britain to rely more than ever on the vast Canadian granary. Millers are currently exporting nearly four times the quantities of flour shipped three years ago, at prices more than a dollar a barrel below the 1938 average. Livestock feeds, by-product of the flour-milling operations, are a vital aid to Canada's exports of bacon, cheese, eggs and milk.

Bakeries

Bakers have little to lose in the newly announced programme for price-fixing throughout the industry. With prices stabilized on bread sales, Canadian bakers have to date been jammed against the price pegs by steadily rising material and labor costs. With profit margins dwindling, the rapidly rising volume of domestic sales has helped keep total earnings of expanding companies at satisfactory levels.

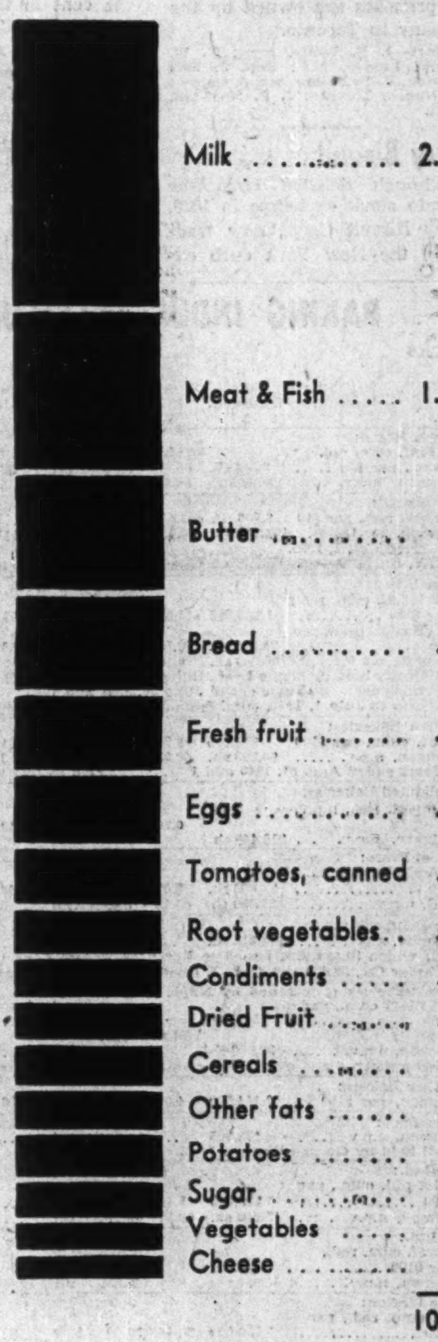
Canning

With export markets virtually closed and Britain buying only limited quantities of Canadian cannery products, rising domestic demand promises to fill the gap that was left open last year. Canning crops with few exceptions are well above last year's level, the tomato pack may equal 1937's record. Earnings of the canning companies, adversely affected in 1940, are expected to show increases this year and next.

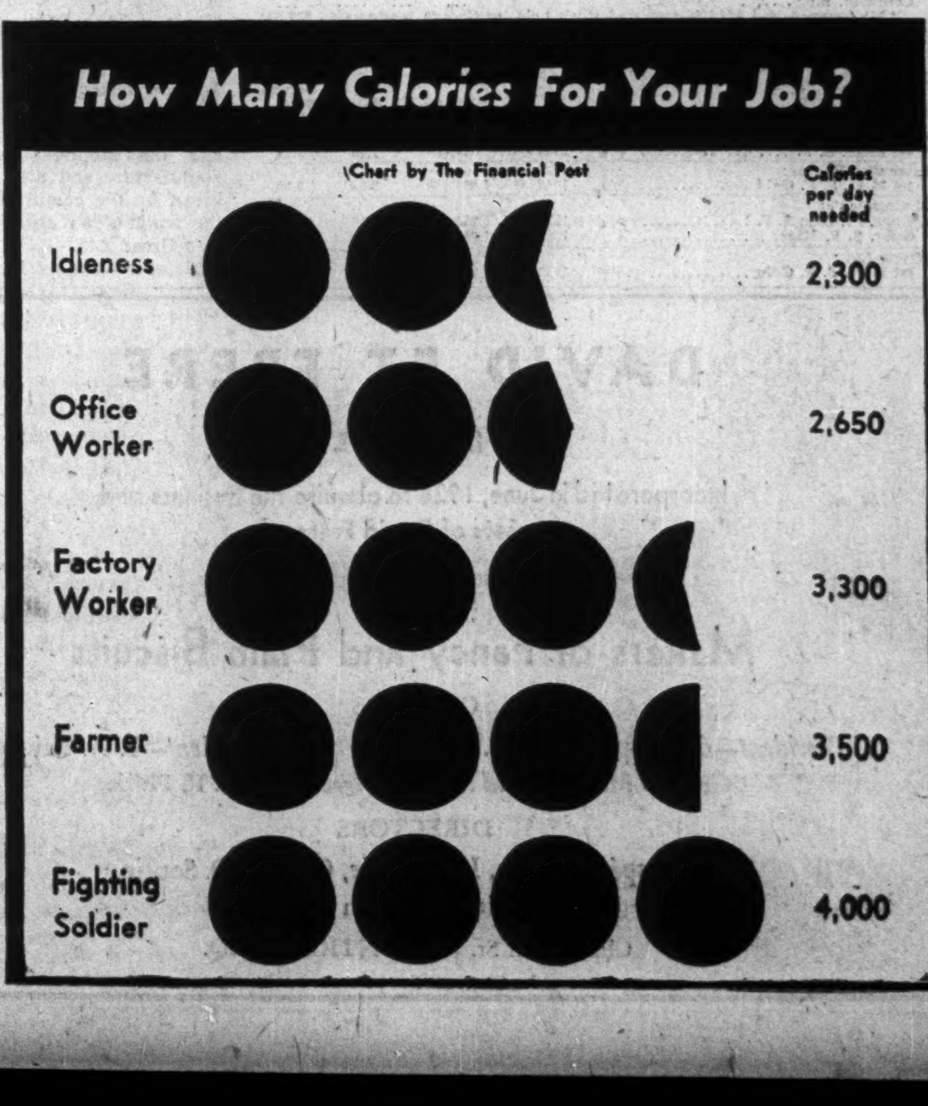
Merchandising

Large grocery stores of the self-serve type are of increasing importance in distributing the steadily increasing supplies of foodstuffs for domestic consumption. More efficient, capable of supplying larger numbers of customers, the new large units pass much of the gain along in lower prices. Shown left is the new Dominion Stores outlet in Halifax, where wartime crowding makes mass merchandising essential.

Where Housewife's Food Dollars Go



For family of five;
Data: Visiting Homemakers' Association.



Price Controls Put Brakes on Bread

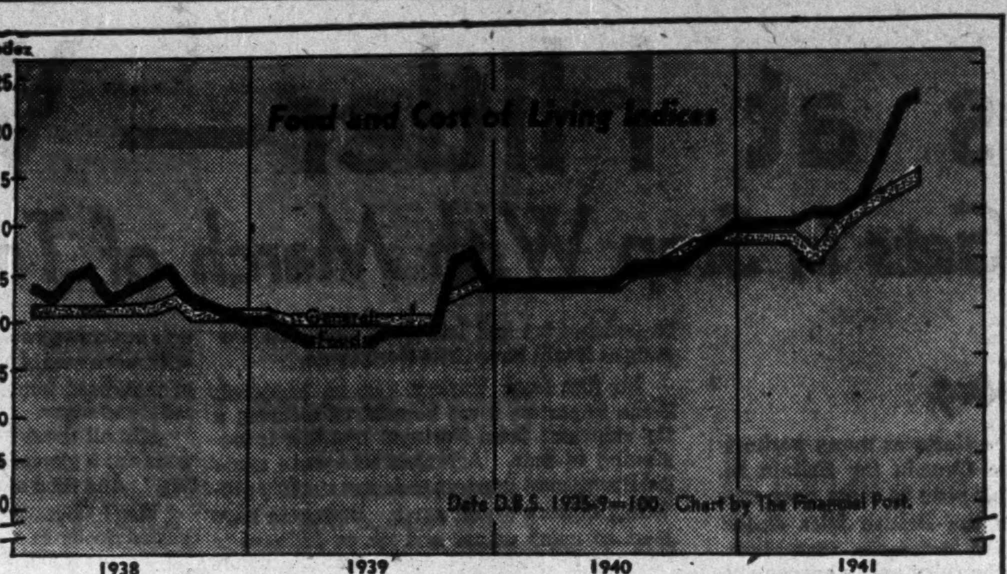
Baking Firms Jammed Between Rising Costs and Fixed Selling Prices

Although increased food requirements occasioned by rising employment and a generally more active way of life in Canada has brought larger volume to the Canadian baking industry, few individual firms are able to show better earnings for the shareholders. In its effort to stem the rising trend of living costs, bread prices were among the first items to feel the restrictive influence of the Wartime Prices and Trade Board.

Net result of the squeeze on profit margins has been an increasingly difficult problem of survival. Bakers with small outlets, unable to obtain their share of the increasing domestic demand have been harder hit than larger organizations. Unless these have been able to balance lower profits per loaf by increases in the number of loaves sold, dividends have had to suffer.

Withdrawal of the processing tax and the ban on sliced bread are evidence of government concern over the position of the bread companies, an effort to compensate them for rising costs and delay the need for rises in the price of bread.

The announcement of the extension of price and wage controls throughout the Canadian business structure is not likely to alter the conditions under which bread is being sold to any great extent. But it does give promise that the things the baker buys will now also be subject to the same controls that he has faced in selling his products.



Coincidence or not, only twice since war began has the food section of the cost of living index soared sharply above the rest of the index. Both occasions have been followed by sweeping changes in the government's policies. When the panicky hoarding of foodstuffs caused the first jump toward the end of 1939, the Wartime Prices and Trade Board was instituted, quickly brought the runaway index back to the average. Latest gap is to be brought under control by the widest pegging of prices in Canada in history, expected to employ five battalions of accountants.

Barker's Bread

Operations of Barker's Bread Ltd. in the 1940 business year compared unfavorably with those of 1939, the net profit of $61,369 of 1939 changing to a profit of only $491 in 1940. Major factor in causing the earnings drop, according to H. B. Manning, then president, was the adverse effect of the 15-cent-per-bushel processing tax which had to be borne by the baking company. No preferred dividends have been paid since Jan. 3, 1941.

Operating a fleet of about 150 trucks and wagons, the company manufactures and distributes directly to consumers in Toronto and district bread, biscuits, cakes and pies, and carries on a wholesale trade with leading stores, restaurants and hotels. Manufacturing plants, stables, garage and premises are owned by the company in Toronto.

Directors—J. B. White, pres.; G. W. Burry, Linden, N.J.; Hon. J. Earl Lawson, R. B. Phipps, sec. & compt.; G. Nunns, Toronto; J. B. MacNeill, treas.

Burry Biscuit

Although delisted from the Toronto stock exchange in 1939, Burry Biscuit Corp., now traded on the New York curb exchange and the Detroit stock exchange, still has Canadian shareholders.

Recent earnings reports have shown a progressively lower record of earnings. In the last year for which figures are at present available ended Oct. 26, 1940, net loss for the period was $264,882. As a result, preferred dividends have not been paid since July 1, 1939. Working capital has also suffered, having fallen from $334,489 in 1938 to $57,796 in October last year.

Directors—G. W. Burry, pres., Elizabeth, N.J.; F. T. Fisher, asst. sec.; R. J. Flood, New York.
Sec.-treas.—R. D. Strawbridge.

Canada Bread

The annual report for year ended June 30, 1941, of Canada Bread Co. showed net profits per loaf produced had fallen from ½ cent in the 1939 year to 1/7 cent currently. Since the report appeared in August, the company has redeemed in full its bonded debt which formerly amounted to $1,250,000 and has stepped up the rate of dividends on the preferred stock to 6% in keeping with the terms of the capital reorganization of 1935.

Removal of the processing tax on wheat has benefited the company, but this gain has been largely offset by rises in other operating charges, shortening being an outstanding example.

Although net profits have shrunk from $216,114 to $145,027, they remain more than adequate for first preferred and second preferred dividends. Common earnings have fallen from the recent high of 73 cents in 1939 to 10 cents in 1941. While the company does not publish total production or sales figures, its ability to maintain earnings in the face of rising costs indicates that its sales position in the industry has been growing over the past several years. In the past six-year period, C. H. Carlisle, president, states company business has a total increase of 48%. The 68 plants and depots operated from Montreal to Winnipeg are stated to have been kept in excellent position and no further expansion or capital expenditure are anticipated during the war.

Directors—C. H. Carlisle, pres.; C. B. Shields, A. G. Walwyn, A. W. Holmested, R. S. Waldie, vice-pres., G. C. Leitch, Toronto; A. V. Loftus, gen. mgr.
Asst. gen. mgr. and sec.-treas.—W. S. Antliff.
Asst. sec.-treas.—L. F. Enright.

Canadian Bakeries

Controlled by Maple Leaf Milling Co., Canadian Bakeries is engaged in manufacture and distribution of bakery products in the chief cities of British Columbia, Alberta and Saskatchewan.

Reorganization of the company's capital structure carried out last year permitted the elimination of the former deficit account and the writing down of goodwill to $1.

Sales volume for the fiscal year ended Aug. 31, 1940, showed an increase over the previous year but net profits were lower due to higher prices of ingredients, increased taxes and lower competitive sale prices in certain areas, R. W. Ward, president, stated.

Since reorganization, the course of earnings has not been sufficient to meet full dividend requirements on the 9,130 shares of 5% preferred stock outstanding, and following a payment of $2.50 per share on Oct. 1, arrears amounted to $2.50 per share.

Directors—R. W. Ward, pres. and gen. mgr., Calgary; D. C. MacLachlan, vice-pres., Toronto; D. A. Ross, sec.-treas. and asst. gen. mgr.; John Burns, Calgary; F. J. Coombs, R. S. Waldie, Toronto; E. E. Buckerfield, Vancouver; H. M. E. Evans, Edmonton.

Christie Brown & Co.

Christie's operate three bakeries, two at Toronto and one at Winnipeg. One of the Toronto plants and the Winnipeg bakery unit is devoted to the production of biscuits. The remaining Toronto bakery, in addition to biscuits, turns out cakes and bread, for distribution in Ontario and the Montreal area. The manufacture and distribution of bread by the company is under the wing of an affiliate, Christie's Bread Ltd.

Major feature of the Christie operations are the large-scale nature of the production and distribution facilities. In addition to the bakeries, sales offices and warehouses are located in centres all across Canada. A fleet of 139 trucks, operated by the three divisions—biscuit, cake and bread—completes the distribution picture. One of the most aggressive firms in the Dominion, Christie's has a record of over 88 years of successful operation.

Although Christie, Brown is a leader in the Canadian baking field, investment interest is confined to the shares of National Biscuit Co., the controlling organization, which also operates in England and the United States. Shares of National Biscuit Co. are traded on the New York Stock Exchange.

In the first six months of the current year, net profits of Nabisco amounted to $5,283,803, slightly above the $5,214,714 reported last year. In the second quarter of 1941, a more favorable earnings comparison appeared, with the common stock earning 33 cents for the three months against 31 cents for the corresponding months of 1940.

Consolidated Bakeries

Operations of Consolidated Bakeries of Canada Ltd. are, The Financial Post is informed, showing the increases in production common to the industry, but the low prices of the company's products against rising costs are preventing earnings from keeping pace with output.

Consolidated Bakeries operates 12 bakeries in Ontario and Quebec through the wholly owned subsidiary, Wonder Bakeries Ltd.

In 1940 earnings dropped to 70 cents per share against $1.25 year before. Dividends on the common stock were formerly paid at the rate of 25 cents quarterly, plus the occasional extra dividend. The rate in 1941 has been cut to 15 cents quarterly, three payments at the beginning of April, July and October, having been made at this rate.

Directors—John Turnbull, chm.; Robert McMullen, pres. & gen. mgr.; J. F. Lash, *F. K. Morrow, F. G. Osler, Toronto; R. R. Dobell, *G. A. Morris, *J. W. McConnell, Beaudry Leman, Hon. Charles A. Dunning, Montreal.
Vice-pres. & asst. to gen. mgr.—T. M. Dutton.
Sec.—H. O. Neale.
Treas.—H. S. Pratt.
*Management shareholders.

David & Frere

In the past year David & Frère Ltée, Montreal, biscuit and candy manufacturer, has been working at capacity. Sales and earnings in the year which began April 1 are well above the same period last year. With a large backlog of business on hand, prospects for the remainder of the year are considered good.

While sales have been materially higher, rising material and labor costs and taxation have prevented earnings from fully reflecting betterment in volume. Many ingredients have increased sharply in price. Fat costs have doubled in the past year.

In the year ended March 31, 1941, operating profit of $90,910 was reported. Net profit amounted to $47,599, equal to $2.07 a share on the class A stock. The company adjusted its financial year end from the calendar year in the 15 months ended March 30, 1940. Results for the last year are therefore not comparable with the previous financial period.

Net profit in the 15 months' period totalled $103,094.

The company is paying dividends of $1 a share annually on its $2.25 non-cumulative class A stock. This rate commenced with the quarterly payments of 25 cents on March 30, 1940. An extra of 10 cents was also paid on that date, but none has been paid since.

Financial position of the organization has been strengthened in recent years and at March 31 working capital totalled $262,226. This compares with $256,907 at March 30, 1940, and $185,169 at Dec. 31, 1938.

The company manufactures plain and fancy biscuits and candies and its largest market is in Quebec Province. It has some markets in eastern Ontario and the Maritimes.

Directors—de Gaspé Beaubien, pres.; F. A. Béique, vice-pres.; L. R. Philie, gen. mgr. and sec.-treas.; G. O. Soucie, Emilien Gadbois; Montreal.

Dominion Bakeries

With the judicial sale in August this year of the company's remaining properties to Maple Leaf Milling Co., Ltd., the history of Dominion Bakeries Ltd. came to an end. Incorporated in Sept., 1928, to acquire six bakeries, the company steadily expanded through 1929 and 1930, acquiring its 16th bakery in the latter year. In the same year difficulties began to mount, preferred dividends were passed and for the fiscal year a net loss was shown for the first time.

Many of the local bakeries proved unprofitable in view of the low operating cost experienced by larger bakeries, centrally located, servicing outlying districts by means of trucks. By 1933 directors had been authorized to discontinue operations at all branches of the company, to rent where possible and from time to time to sell or dispose of them at terms considered expedient. At August 31, 1940, the company owned 10 plants in Ontario. Remaining assets were offered for judicial sale last August, and the Maple Leaf Milling Co. Ltd., which had a claim of nearly $216,000 against Dominion Bakeries, was able to buy the property on a bid of $85,889, leaving nothing for the holders of the $935,000 par value of preferred stock and the 25,007 shares of common stock outstanding.

Dover Industries

Organized in March 1940, Dover Industries Ltd. is a consolidation of Robinson Industries of Hamilton, formerly Robinson Consolidated Cone Co.; the T. H. Taylor and Co., Chatham, Ont.; and F. J. Cherry and Sons, Ltd., Preston, Ont.

An initial dividend of 20 cents per share was paid July 2, 1940, which has been followed by payments of equal amounts on the common stock in Nov. 1, 1940, and March 1, 1941.

Directors—John Moodie, pres., Port Nelson, Ont.; P. W. Strickland, sec., Preston, Ont.; H. Keedwell, treas., Chatham, Ont.; E. M. Fletcher, Victor Vallance, Hamilton; J. F. McDonagh, J. F. Lash, F. K. Morrow, Toronto; Wm. Burr, Preston; R. R. Barber, Guelph, Ont.

Eastern Bakeries

Eastern Bakeries Ltd. operates a chain of bakeries in the Maritimes, located at Saint John, Moncton, Fredericton and Campbellton, N.B., and Sydney, N.S.

The company is controlled by Maple Leaf Milling which at last report owned 25,001 common shares out of the 30,000 no par value shares outstanding.

George Weston

The drop in earnings which featured the George Weston Ltd. annual report for 1940, showing common earnings down 30 cents, gave evidence in the first half of 1941 of having taken a turn for the better. Earnings per share of common stock in the first half of 1941 were 50 cents, against 48 cents for the same period last year, after allowing for depreciation and all charges, including estimated excess profits taxes.

This year and last, the company has been faced with rising material and production costs in all lines with sale prices practically unchanged, particularly in the major item of bread production. In 1940 production totalled more than 97,000 tons, an increase of 12.8% over 1939, and dollar value of $25.3 millions was up 16½%.

Directly and through its subsidiaries George Weston Ltd. operates plants at Toronto, Ont.; Passaic, N.J.; Salamanca, N.Y., and at Battle Creek, Mich., with distributing branches and agencies across Canada. Since incorporation in 1928 total assets have risen

(Continued on Page 16, Col. 3)

BAKING INDUSTRY SECURITIES

Stocks

	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Low	Last Price	Yield %
Barker's Bread:								
5% Pref. cum. red. conv., par $50	9,584 sh.	d0.01	6.34	nil	28	16	16	...
Common, n.p.v.	35,605 sh	d0.68	1.03	nil	6⅞	1¾	1¼	⅝
Burry Biscuit:								
Pf. conv. red., par $50	9,590 sh.	d27.63	d1.92	nil	...	...	...	...
Common, par 12½c	403,280 sh.	d0.73	d0.12	nil	†1¼	¼	¼	...
Deferred Oct. 1, 1939. †N. Y. Curb.								
Canada Bread:								
5-6% 1st pf. cum. red., par $100	1,250,000	▲11.60	▲17.29	‡6.00	105	90	101½	5.9
Pref. B cum. part., par $50	25,000 sh.	†2.50	3.92	2.50	58	35	45	5.6
Common, n.p.v.	*200,000 sh.	†0.10	0.28	nil	5⅝	1¼	3	...
*Majority held by Maple Leaf Milling Co. †After allowance for participating provisions. ▲Years ended June 30, 1941 and 1940. ‡New rate; rate was 5% up to July 1, 1941, cum. from July 1, 1941.								
Canadian Bakeries:								
1st Pf. cum., par $100	913,000	*2.28	*6.14	†4.50	64	20	41	...
Common, n.p.v.	99,890 sh.	d0.25	0.05	nil	3	½	1	...
*Years ended Aug. 31, 1940 and 1939. †Paid in 1941 to date.								
Consolidated Bakeries:								
Pf. mgmt. shs., n.p.v.	3 sh.	0.70	1.25	0.60	19	8	10½	5.7
Ordinary, n.p.v.	318,440 sh.							
David et Frere:								
Cl. A $2.25 non-cum., n.p.v.	23,000 sh.	2.07	3.65	1.00	19	9½	11	...
Cl. B, n.p.v.	23,000 sh.	d0.18	0.83	nil	3¾	1	1¼	...
Dover Industries:								
Common, n.p.v.	*142,816 sh.	...	...	†0.20	...	...	...	...
*Of which 54,994 shs. issued to Robinson Consol Cone Co., 55,698 shs. to T. H. Taylor Co., 32,124 shs. to S. J. Cherry & Sons. †Paid Mar. 1, 1941.								
Eastern Bakeries (Controlled by Maple Leaf Milling):								
Pref. 6½% cum., par $100	500,000	Not available		3.25	...	...	...	...
Common, n.p.v.	30,000 sh			nil	...	...	...	...
1,000 preferred and over 25,001 common owned by Maple Leaf Milling.								
Inter City Baking:								
Common, par $100	2,114,500	4.02	5.48	3.00	36	23	23	...
McCormick's:								
Common, n.p.v.	*73,705	...	...	nil	...	...	...	...
*All held by George Weston, Ltd., except directors' qualifying shares.								
Moir's Ltd.:								
6% 1st pfd. cum., par $100	975,000	5.42	nil	nil	...	...	...	...
Common, n.p.v.	15,500 sh.	d0.37	d3.77	nil	...	...	...	...
Viau, Ltd.:								
1st pref. cum. red., par $100	946,000	6.14	9.04	5.00	60	45	50	10
Common, n.p.v.	44,920 sh.	0.24	0.85	nil	4½	1½	3½	...
George Weston:								
Pref. cum. red., par $100	1,750,000	32.96	39.80	5.00	99	76	94½	5.3
Common, n.p.v.	404,421 sh.	1.21	1.51	0.80	15	9	10½	7.6
William Patterson:								
Pref. par $100	*62,100	Not available		7.00	...	...	...	...
Common, n.p.v.	4,000 sh.			nil	...	...	...	...
*All common and $24,500 preferred stock held by George Weston Co., $37,600 preferred held by public at Dec. 31, 1940.								

Bonds

	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	1939
Canadian Bakeries:					
1st Mtge. S. F.	6½	1945	527,000	1.99	3.17
Inter City Baking:					
1st Mtge. S. F. Gold	5½	1948	1,041,500	3.32	3.30
McCormick's:					
Guar. Pr. Lien S. F.	4½	1952	232,000	91.16	91.77
Guar. S. F. Mtge.	4	1952	1,267,100	18.56	17.69
Moir's Ltd.:					
1st Mtge. S. F. Gold	.6	1953	750,000	2.71	1.00

STABILIZING THE STRUCTURE OF ONTARIO'S FOOD INDUSTRY

National Grocers Enable 12,000 Independent Retailers to Serve Customers With the World's Finest Products

MORE than 12,000 independent retailers depend with confidence on the province-wide service of the National Grocers Company Limited.

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By means of this efficient and far-reaching "National" service, every one of these thousands of independent retailers . . . wherever located . . . can meet competition on equal terms, and provide customers with the world's finest products at the lowest prices consistent with high quality.

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AN ENTIRELY CANADIAN INSTITUTION
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Archie Foster, President and Chairman of the Board; M. D. Lemon, Vice-President; H. L. McNally, General Manager; T. H. Kinnear, Secretary-treasurer; D. Blain; Hon. George Gordon; W. H. Kenny; A. J. Major; W. G. McLauchlan; T. J. Medland; Marland Woolnough.

DAVID ET FRÈRE
LIMITÉE
Incorporated in June, 1928 to acquire the business and assets of David Frère.
Established 1905
Makers of Fancy and Plain Biscuits
OFFICERS
President—de Gaspé Beaubien. *Vice-president*—F. A. Béique.
General Manager and Secretary-treasurer—L. R. Philie.
DIRECTORS
de Gaspé Beaubien, L. R. Philie, Georges O. Soucie,
F. A. Béique, Emilien Gadbois
Champlain St. — MONTREAL, P.Q.

WASTE resulting from preventable spoilage and deterioration of merchandise robs Canadian stores and manufacturers of thousands of dollars each year. Such waste is especially harmful today, for in wartime conservation of material and productive effort is of paramount importance.

The use of "Cellophane" in packaging checks needless waste. Protected yet displayed by this thin transparent film, foodstuffs of all kinds are kept in the best possible condition. Loss through drying out is sharply reduced, spoilage through handling is virtually eliminated; quality and goodness are preserved right up to the time of purchase. "Cellophane" Division, Canadian Industries Limited, P.O. Box 10, Montreal, P.Q.

Cellophane
TRADE MARK
C-I-L CELLULOSE FILM

Packing Firms Weather Heavy Year

Domestic and British Requirements Appear Assured by Increased Output

In the annals of the Canadian packing industry, 1941 will appear as a record year in point of volume handled, a record shortly to be eclipsed by the operations of 1942. Major problems faced during the year have been the technical questions of handling the increased volume and arranging for the delivery in good condition of the 425 million pounds of bacon exported to Britain, delivery of which was advanced in the later stages of the contract.

In the spring of 1941, the rising prices of U. S. hogs began to attract shipments from Canada. Solution of this diversion came through advances in the export prices, Britain adding five shillings per hundredweight, the Dominion Government contributing about $3 per hog, and provincial governments adding up to $1. These steps were followed by an embargo on exports to the U. S. and a further price increase in the current 600 million-pound contract. It is expected that these and other steps currently being taken will guarantee the fulfilment of the present contract and a year of capacity operations for the packing companies.

In other branches of the packing industry volume has also tended to increase. British Columbia Packers report one of the largest salmon packs in years. Efforts to widen the scope of the B.C. industry are increasing, with the object of making fuller use of the province's marine resources and of overcoming some of the seasonal nature of the industry.

For the Maritimes, some export markets have been lost, trawlers have been requisitioned by the government, and while a highly successful campaign was waged to widen the Canadian internal market, selling prices have been low.

Fruit and vegetable canning has on the whole had a highly successful year. With the exception of early fruits, strawberries, raspberries and cherries, majority of the canning crops have been better than average, in many cases establishing records for five years or more. While canning companies have lost most export markets, the rising domestic demand bids fair to absorb available supplies.

MEAT PACKING AND CANNING SECURITIES

Stocks	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Price Range —1940-41— Low	Last Price	Yield %
British Columbia Packers:								
Com., n.p.v.	136,279 sh.	*1.52	*2.87	nil	19¾	9	12	...
*Year ended Apr. 30, 1941.								
Burns & Co.:								
Cl. A pref., non-com., n.p.v.	33,584½ sh.	d2.27	d4.15	nil	...	...	...	...
Cl. B, n.p.v.	109,554 sh.	...	...	nil	...	...	...	...
Management, n.p.v.	5 sh.	...	...	...	...	...	...	...
Canada Packers:								
Com., n.p.v.	200,000 sh.	*7.77	*8.34	†4.00	104¾	65	86	4.6
*Year ended Mar. 27, 1941 and Mar. 28, 1940. †A bonus of 50 cents paid Apr. 1, 1941.								
Canadian Canners:								
1st pref., par $20	190,877½ sh.	*5.30	*8.01	‡1.00	22½	17	22	5.4
2nd pref. con., n.p.v.	363,732 sh.	*2.25	*3.68	‡0.60	14	7¾	10	8
Common, n.p.v.	137,784 sh.	•†3.04	•†6.80	0.50	10¾	5	7	7
†After. *Before participating feature. ‡Plus participating dividends of 20 cents. •Providing that all conv. pref. were converted into common, earnings on the combined conv. pref. and common would amount to $1.56 in 1941, $2.59 in 1940, after participation of first preference.								
Connors Bros.:								
Cl. A, n.p.v.	95,000 sh.	Not available		0.50	...	...	...	...
Cl. B, n.p.v.	5,000 sh.			0.50	...	...	...	...
Maritime-National Fish:								
6% pf. cum., par $100	443,900 sh.	Not available		6.00	...	...	...	...
Common, n.p.v.	50,000 sh.			*0.45	...	...	...	...
*Paid June 4, 1940.								
Wilsil:								
Common, n.p.v.	135,700 sh.	1.49	2.21	1.00	24¼	14⅞	16½	6.1

Bonds	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	Times Int. Earned After Deprec. 1939
British Columbia Packers:					
1st Mtge. Serial Bonds	4, 4½	1941-44	200,000	9.13	17.29
Conv. S. F.	5	1953	700,000		
2nd Mortgage Ser. Deb.	4	....	†254,992		
†Held as collateral for bills deferred, redeemable $50,000 annually, July 1, 1942-1945, incl. $54,992 July 1, 1946.					
Burns & Co.:					
1st Mtge., Series A	5	1958	6,668,300	0.77	0.64
Canada Packers:					
Collateral Trust Debs.	2¼	1942	750,000	46.94	30.95
Do., Debs.	2½	1943	750,000		
Do., Debs.	2¾	1944	750,000		
Canadian Canners:					
1st Mortgage	3	1942	180,000	16.53	18.52
1st Mtge. Conv.	4	1951	2,420,000		

B. C. Packers

The 1941 salmon pack in British Columbia has been the best in five years. In the first eight weeks of the 1941 season 641,555 cases were packed with sockeye salmon gaining the most, 386,814 cases against 319,818 for the similar period of 1940. The large pack this year is vitally important for the fulfilment of the heavy commitment made to the British Government.

Rising domestic sales and the increasing importance of the export market brought net sales for the year ending April 30, 1941, to $7.8 millions for British Columbia Packers against $6.2 millions in the previous year.

Sharply increased operating costs, however, resulted in a drop in per share earnings from $2.87 to $1.52. No dividends are as yet being paid on the common stock, the only share interest in the company since its 1935 reorganization.

In a recent statement J. M. Buchanan, vice-president and general manager of British Columbia Packers, stated that it was one of the major aims of the fishing industry in British Columbia to enlarge its operations, including, in addition to salmon and halibut, the main type of fish currently being handled, many other varieties which populate B. C. coastal waters. Object of the extended operations is to add sources of revenue, and to smooth out the sharply seasonal character of the industry's operation which results in many packing plants being operated only for a month or so of the year.

Directors — H. R. MacMillan, pres.; Stanley Burke, vice-pres.; F. E. Burke, George Kidd, J. P. D. Malkin, W. J. VanDusen, A. C. Taylor, Gordon Farrell, Vancouver; A. H. Williamson, London, Eng.; J. H. Gundy, J. S. McLean, Toronto; J. M. Buchanan, vice-pres.; J. H. Copeman, Montreal; Dr. H. Spohn, Vancouver.

Asst. gen. mgr.—S. K. Murray.

Sec.-treas.—G. M. Ferguson.

Burns & Co.

At one time a purely western organization, Burns & Co. this year extended the field of its operation to southern Ontario with the acquisition of Dumarts Ltd. packing house at Kitchener, Ont. This raises to seven the total number of packing houses owned or controlled by Burns. These are at Vancouver, Calgary, Edmonton, Regina, Prince Albert and Winnipeg in addition to the Kitchener plant.

Net earnings in the 1940 business year increased nearly $100,000 over 1939, but after allowing for non-operating charges and a sharp increase in bank interest paid, the company again failed to report net profits. Net loss for the year of $56,371 compares favorably with the net loss of $139,541 of the preceding year.

Along with other major packing companies, Burns is engaged in the shipment of bacon to Britain. The rapidly increasing importance of this movement has raised the volume of business, but this has been carried on with narrow profit margin and has probably not been as important a factor in increasing earnings as the improved domestic demand.

Although 1940 failed to return the company to the position of earning net profits, substantial progress was made in reducing outstanding obligations. Bank loans were reduced nearly $200,000 to $3,035,594 while working capital increased from $2,809,196 to $2,876,695. While it is yet too early to predict the net outcome of 1941 operations, volume to date and operating earnings are showing further improvement.

Directors—John Burns, pres.; A. C. Newton, vice-pres., Calgary; R. D. Morrison, vice-pres. and man. dir., Kitchener, Ont.; R. S. Munn, J. I. McFarland, Wm. Toole, M. M. Porter, Calgary; Col. A. M. Brown, Vancouver; W. S. Hodgens, Toronto; A. E. Pequegnat, Waterloo; H. R. Milner, Edmonton.

Sec.—J. H. Kelly.

Treas.—W. C. Stemp.

Canada Packers

Volume of business handled by Canada Packers Ltd. in its latest fiscal year which ended March 27, 1941, increased by 25.4% in sales, with the value of livestock purchased rising by 27.5%.

Owing to the more rapid rise of costs than selling values, profit margins were reduced to 1/7th of a cent per pound of product sold from the 1/5th of a cent realized in the 1940 year. The great increase in volume, however, partially compensated for the declining profit margin, brought net earnings per share of $7.77, compared with $8.34, still providing a wide margin over the current dividend rate of $4 per share.

Since the appearance of the annual report in August, the new bacon contract with the British Ministry of Food has been entered into. This calls for the export by Canadian packing companies of 600 million pounds of bacon in the coming year as compared with 425 million pounds in the previous contract. Higher prices have been embodied in the new contract, but these are only moderately higher than those of the former agreement after allowing for the gradual increase in prices which became necessary during the life of the contract.

With both export and domestic demand rising to new high levels during the coming year, the outlook for business volume has improved over last year's experience. The extent to which this gain in volume will reflect in the company's next financial statement will depend largely on changes in cost conditions during the coming year.

The largest Canadian packing company, Canada Packers Ltd. operates packing plants at Toronto and Peterborough, Montreal and Hull, Winnipeg, Edmonton, Vancouver, and Chicago. In addition to distributing centres throughout Canada, in Newfoundland and the United States, the company operates a number of creameries and poultry stations, cannery and fertilizer plants in various Canadian centres. In 1936 the Collis Leather Co. at Aurora, Ont. was purchased and added to the company's business.

Directors—J. S. McLean, pres.; W. T. Harris, vice-pres.; S. G. Brock, vice-pres. and sec.-treas.; N. J. McLean, vice-pres. and gen. mgr.; A. L. Laing, R. N. McKechnie, C. C. Polkinghorne, C. Wadge, asst. sec.; W. R. Carroll, H. M. Murray, and *G. J. P. Ayers, all of Toronto; J. P. Laberge, Montreal; W. S. Cameron, Edmonton.
*Employees' representative.

Canadian Canners

Sales of Canadian Canners Ltd. in the first part of the current fiscal year which will end the last day of February, 1942, are showing satisfactory improvement over the corresponding period of last year. Production has shown substantial gains, with the tomato crop substantially improved and most branches of the company's business, with the exception of early fruits, and peas, showing an improvement over last year.

Operating profits of Canadian Canners dropped over $300,000 for the 1941 fiscal year largely as a result of the almost complete cessation of exports to Great Britain.

The loss of sales to Britain is currently being made up by the great increases in domestic demand. Both in quality and quantity the 1941 pack of peas, beans, tomatoes, corn and other products is stated to rank among the best on record. With the exception of peas, in which there was a very large pack last year, all major items show gains over 1940.

Ontario, Quebec and British Columbia are the three provinces in which the bulk of Canadian canning is done. Of the three, Ontario fared the best this year. Quebec suffered from early frosts and British Columbia experienced bad weather in September. On balance, however, the canning year is stated to have been highly satisfactory, although fruit crops were somewhat light.

Largest organization of its kind in the British Empire, Canadian Canners owns 56 canning factories in Ontario, 3 in Quebec, eight in British Columbia and one in Nova Scotia. Farms are owned and operated in nine different counties in Ontario, a research laboratory at Hamilton, a cider and vinegar plant at Brighton are operated to serve the company. Boxes for the factories, seed for the farms are supplied by subsidiary companies and two machine shops are kept up for the repair and maintenance of equipment.

Directors — Avern Pardoe, chm., Toronto; W. R. Drynan, pres. & gen. mgr., Hamilton; W. L. Innes, 1st vice-pres., Simcoe, Ont.; E. A. Pearce, 2nd vice-pres., Picton, Ont.; D. R. McCahill, asst. gen. mgr.; Aleck Leitch, Hamilton; Lt.-Col. W. G. MacKendrick, Oakville, Ont.; J. A. Northway, W. G. Lumbers, Toronto; G. C. Edwards, Ottawa.

Sec.-treas.—P. Croucher.

Connors Bros.

Prospects for Connors Bros. in the current year are tempered by conditions arising from war, principally difficulties in shipping, changes in markets and a shortage in essential materials such as olive oil. The latter has tripled in price and a certain amount of substitution of soya bean oil or peanut oil for some markets has been necessary.

The organization at Black's Harbor, N.B., is one of the largest sardine packing industries in the world.

Ordinarily company products find their way to more than 100 foreign markets. As a result of war, many of these markets have been lost and sales outlets limited. On the other hand, an important new market has been opened up in the United States by the elimination of Norway and other northern European fish producers. To meet the United States demand, the company has had to make large capital expenditures on new equipment, including a large quick-freezing plant. The company is also filling large military orders in Canada and other parts of the Empire.

Financial statements are not published, but at the annual meeting of the shareholders, A. M. A. McLean, treasurer and managing director, stated that despite difficulties faced, the company expected to sell the entire 1941 pack.

Directors— A. N. McLean, pres.; L. V. Lingley, vice-pres.; J. M. Scovil, sec.; Saint John, N.B.; A. M. A. McLean, treas. and man. dir., Blacks Harbor, N.B.; Hon. B. M. Hill, Montreal.

Maritime Fish

Maritime-National Fish Ltd. has been handicapped by the requisitioning of three of its trawlers by the Dominion Government. The company depended largely for a regular supply of fish upon these vessels. It has not been able to replace them all.

An uncertain supply of fish has resulted and the company has had to depend on fishing schooners and shore-fishermen for supplies.

Investment interest in the company is restricted and no financial statements have been made public for a number of years.

Directors—H. G. Connor, pres.; W. H. Boutilier, vice-pres.; H. V. D. Laing, sec.; W. I. McDougall, J. McG. Stewart, all of Halifax; S. G. Matthews, Montreal.

Treas.—D. C. Forgan.

Wilsil Ltd.

Packing plant of Wilsil Ltd. has been operating at capacity for some time on export business. Domestic business is proceeding on a satisfactory level, it is understood.

Earnings results for the current year will be determined largely by the fall business. Conditions are favorable and without any unexpected developments, earnings should be at least as satisfactory as last year, when net profit amounted to $202,547. This was equal to $1.49 a share on the common stock, compared with net profit of $299,837 in 1939, equivalent to $2.21 on the common shares.

The company is paying dividends of $1 a share annually on the stock.

Directors — F. K. Morrow, chm., Toronto; G. A. Wright, pres., Montreal; R. W. Jameson, vice-pres., Antrim, N.H.; Daniel Brogan, sec.-treas., G. A. Morris, Henry MacEwan, E. C. Rettig, D. A. Campbell, Montreal; L. S. St. Laurent, Quebec.

Only so long as Quality is rigidly maintained, can a Food Product make good on its Reputation!

Month after month, year after year, the records of Christie's Biscuits sales show a steady increase in value. The explanation is that Christie Quality and Christie Value are always kept at the highest level.

Nearly 90 years ago, the founders of Christie, Brown and Company laid down the rule that nothing but the choicest and purest ingredients should be used in the baking of Christie's Biscuits, and this standard of Quality has always been and still is rigidly maintained.

That's why Christie's is one of the fastest selling Biscuit lines right across Canada.

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Branches
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Christie's Biscuits
"There's a Christie Biscuit for every taste"

come in and see me!
ELSIE
YOUR CONTRIBUTION

Courtesy—The Bakers' Journal, Sept., 1941.

ELSIE - STAR OF 1941 C. N. E. !
Raises over $20,000 for Air Raid Victims in Britain

Elsie, the celebrated Borden Cow, was the biggest single attraction at the 1941 C.N.E. She came to do her bit to help the Toronto Evening Telegram British War Victims' Fund.

After making a triumphal entry into Canada at Niagara Falls, where a crowd estimated at 25,000 turned out to greet her, Elsie was officially welcomed to the Exhibition by Premier Hepburn of Ontario at a special preview.

In the two weeks of the Fair, an unbroken line of 254,173 admirers visited Elsie in her gay barn-boudoir and contributed to her V-Chest.

In this way she raised a total of $20,585 for the gallant people in the bombed areas of Britain.

While in Toronto, Elsie paid visits to the Christie Street Military Hospital and the Thistletown Hospital for Sick Children.

In Canada the part of Elsie was played by "Surville Wonderful Lady," a pure-bred Jersey champion who was taken from the Channel Islands just before the Nazi occupation.

The Borden Company Limited was glad to donate Elsie's services for such a splendid cause.

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Toronto - Montreal - Hamilton - Ottawa - Windsor - Niagara Falls

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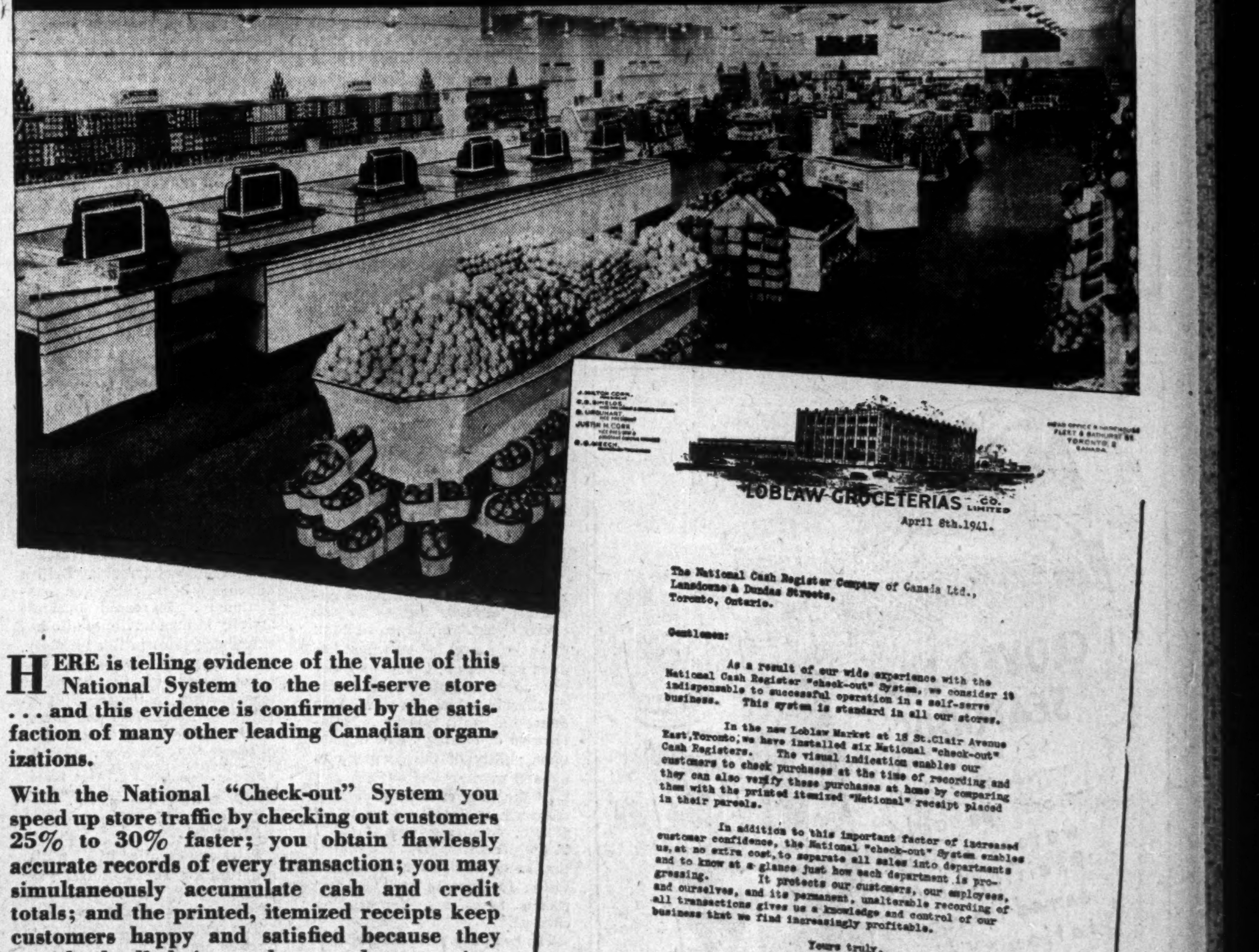

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In the new Loblaw Market at 18 St.Clair Avenue East,Toronto,we have installed six National "check-out" Cash Registers. The visual indication enables our customers to check purchases at the time of recording and they can also verify these purchases at home by comparing them with the printed itemized "National" receipt placed in their parcels.

In addition to this important factor of increased customer confidence, the National "check-out" System enables us,at no extra cost,to separate all sales into departments and to know at a glance just how each department is progressing. It protects our customers, our employees, and ourselves, and its permanent, unalterable recording of all transactions gives us a knowledge and control of our business that we find increasingly profitable.

Yours truly,

LOBLAW GROCETERIAS CO.LIMITED.

GENERAL MANAGER.

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HERE is telling evidence of the value of this National System to the self-serve store . . . and this evidence is confirmed by the satisfaction of many other leading Canadian organizations.

With the National "Check-out" System you speed up store traffic by checking out customers 25% to 30% faster; you obtain flawlessly accurate records of every transaction; you may simultaneously accumulate cash and credit totals; and the printed, itemized receipts keep customers happy and satisfied because they can check all their purchases at home against amounts on the receipts.

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—canned fresh from the cold waters of the Pacific, have earned the reputation as the world's finest.

Today, Canadians know that to enjoy seafoods at their best they must insist on "Clover Leaf".

British Columbia Packers
Limited

Sugar Refineries

Following the short-lived "sugar panic" at the outbreak of war, the supply of sugar to the Canadian consumer has flowed without interruption.

More than in most other industries, the sugar refining companies have been the subject of government control. When sugar prices are raised to the consumer, the Dominion Sugar Controller receives the entire inventory profit on the stocks of sugar held at the time by the sugar refiners.

Although the price of their product has been increased, none of the gain is reflected in the earnings of the refiners. The earnings statements available to the public indicate that the rising volume of sugar consumption has not been adequate to balance the diminished profit margin.

Acadia Sugar

While Acadia Sugar Refining Co. has made no official statement of business since the present company was formed Oct. 13, 1939, it is expected its sales experience has paralleled the upward trend of sugar consumption in the past year.

Formed to acquire assets and undertakings of a company of the same name, control is vested in interests associated with Atlantic Sugar Refineries.

Public investment interest is confined to $1.4 million of 4½% first mortgage bonds, and $2.3 millions of 6% general mortgage bonds.

The company purchases raw sugar through the wartime Sugar Controller and its selling prices are established by the same office, restricting within a relatively narrow range the earnings fluctuations of the organization during wartime.

Refinery is located at Woodside, near Halifax, N.S., where its predecessor company carried on business for 60 years.

Directors—P. R. Gardiner, pres.; Hon. S. A. Hayden, vice-pres. and sec.-treas.; R. A. Stewart, B. L. Laycock, Jack Barlow, L. W. Allen; Toronto; T. J. Dillon, New York.
Mgr.—D. R. Turnbull.

Atlantic Sugar

Sugar consumption in Canada in the current year is moderately above that of last year, and it is assumed Atlantic Sugar Refineries Ltd. has shared in the betterment. The company has not published annual financial statements since 1935.

Public interest in the company is confined to $1.6 million of first mortgage bonds.

Operating a sugar refining plant at Saint John, N.B., with a capacity of 1.3 million lb. daily, products are marketed under the trademark "Lantic Sugar."

The sugar industry is subjected to one of the most complete wartime controls of any industry. Raw sugar is purchased through the office of the Dominion Sugar Controller. Buying and wholesale selling prices also are established by the Controller.

About 50% of the common stock of Atlantic Sugar Refineries was acquired by Acadia Sugar Refining Co. in 1939.

Directors—F. R. Graham, chm.; L. J. Seidensticker, pres., Montreal; P. R. Gardiner, vice-pres.; Hon. S. A. Hayden, sec., Toronto; J. C. H. Dussault, D. H. McDougall, Montreal; T. J. Dillon, New York.
Asst. sec. and treas.—E. S. Johnston.

Canada & Dominion

Although the Canada & Dominion Sugar Co. was incorporated in 1930, its history dates back to the 1860's when the Canada Sugar Refining Co. was established in Montreal. Sugar refineries are operated at Montreal, P.Q., Wallaceburg and Chatham, Ont. In addition sales offices are located at Toronto, Hamilton, Kitchener, London, Windsor, North Bay and Fort William.

Net earnings for the latest fiscal year, ended Jan. 31, 1941, amounted to $3.7 millions compared with $4.7 millions in the previous year. The less favorable showing had been forecast by the president in May, 1940, at which time he pointed out that prices of raw sugar had increased more than proportionately to the advance of selling prices, since outbreak of war.

In common with other Canadian sugar companies, operations have been under the influence of the Dominion sugar controller. All raw sugar in Canada is purchased by the controller and delivered by him to the refiners at fixed prices. The refiners also sell at restricted prices to wholesalers. The possibilities of profits on inventories through mark-ups in the retail sugar price is ruled out by the passing along of these profits to the sugar controller. And while this eliminates the possibility of benefiting through rising sugar values, it tends to some extent to insulate the sugar companies from the adverse effect of soaring inventory profits followed by deflationary developments, although there has as yet been no announcement of machinery for compensating the refiners in the event of inventory losses.

Directors—C. H. Houson, pres., Chatham; H. R. Drummond, vice-pres., Montreal; H. F. Smith, vice-pres., Detroit; W. J. McGregor, sec.-treas., Chatham; A. E. Dyment, W. C. Laidlaw, Toronto; A. H. Thomson, G. B. Foster, Montreal; G. H. Moulthrop, Bay City, Mich.

Manitoba Sugar

Incorporated in 1939, the Manitoba Sugar Co. is one of the newer companies engaged in the production of sugar from beets. In addition to its output of sugar, the pulp of the beets is dried and sold as cattle fodder.

With the co-operation of the Manitoba government, guarantors of the $600,000 in 5% first mortgage bonds outstanding, the company has erected at Fort Garry, Man., a refinery capable of producing 36 million pounds of granulated white sugar annually.

First financial statement, covering the 15-month period to Mar. 31, 1941, showed operating profit of $173,985, and net profit, after all charges, including taxes and interest, of $58,600. No dividends are yet reported on the 6% preferred, and dividends until 1946 are restricted, must leave $40,000 of the year's earnings available for sinking fund on the debentures.

Working capital at March 31 of this year amounted to $163,770.

Operations in the current year are expected to bring higher earnings. The beet crop is expected to show a 40% gain over last year, largely as a result of greater knowledge and preparation on the part of the growers. Last year webworms made heavy inroads on the crops but have been kept under control this year. Moisture conditions during the growing season were reported more favorable, but the continuation of wet weather brought some delay in harvesting and processing.

Directors—G. H. Aikins, pres.; N. L. Leach, vice-pres.; W. H. Carter, E. W. Kneeland, John Martin, H. E. Sellers, Winnipeg; Baron Charles Neuman, Jakob Goldschmidt, New York.
Gen. mgr.—Thos. Heath.
Sec.—F. W. Whitla.
Treas.—E. J. Kramer.

SUGAR REFINERIES SECURITIES

Stocks	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Price Range —1940-41— Low	Last Price	Yield %
Acadia Sugar Refining:								
Class A, n.p.v.	300,000 sh	Not avail.		nil	...	...	...	...
Common, n.p.v.	100,000 sh.							
Atlantic Sugar Refineries: *								
Common, n.p.v.	160,000 sh.	Not avail.		nil	...	...	...	...
About 80,000 shares held by Acadia Sugar Refining.								
Canada & Dominion Sugar:								
Common, n.p.v.	1,500,000 sh.	1.39	1.97	1.50	35	20¾	22⅞	6.5
Manitoba Sugar:								
Pref. cum., par $100	1,500,000	*3.91	...	nil	...	...	...	...
Common, n.p.v.	34,000 sh.	*d0.92	...	nil	...	...	...	...

*15 months to Mar. 31, 1941.

Bonds	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	Times Int. Earned After Deprec. 1939
Acadia Sugar Refining:					
1st Mtge. S. F.	4½	1955	1,344,000	Not available	
Gen. Mtge. S. F.	6	1954	2,190,000		
Atlantic Sugar Refineries:					
1st Mortgage	3-4	1941-51	1,600,000	Not available	
Manitoba Sugar:					
Guar. 1st Mtge. S. F. Debs.	5	1960	600,000	Not available	

Price Control on Bread

(Continued from page 14)

from $1.9 million to $9.2 millions and the total annual sales have jumped from $2.6 millions to $25.3 millions, the latter figure being reported for 1940. The earned surplus in the company's accounts has advanced in the same period from $160,728 to $1,461,773. Working capital is $1.4 million and, with current dividends of $5 annually on the common stock, the annual payment of dividends total over $411,000.

Directors—J. A. Gairdner, chm., Toronto; W. G. Weston, pres., Marlow, Eng.; F. W. St. Lawrence, vice-pres. and man. dir., Toronto; R. E. Watson, vice-pres., Passaic, N.J.; R. A. Robertson, sec.-treas.; E. R. Taylor; Toronto; H. C. Beach, Battle Creek, Mich.
Asst. sec.-treas.—W. H. Kemp.

Inter City Baking

Inter City Baking Co., controlled by Lake of the Woods Milling Co., through subsidiaries, operates four bakeries, one at Toronto and Ottawa, and two at Montreal, having a combined capacity of 100,000 loaves of bread and 2,500 lb. of cake daily.

Like other baking organizations the company has faced numerous adverse factors in the current year. The processing tax of 15 cents a bushel on wheat has been withdrawn, but many other ingredients of bread and cake are up sharply, which has an adverse effect on profit margins. Maintenance of earnings will depend upon ability of the company to expand markets and outlets.

In the year ended Jan. 31 the company reported net profit of $84,963, compared with $115,827 in the preceding year, the reduction being due to increased provision for income and "excess" profits taxes and depreciation charges.

The company redeemed $42,000 principal amount of its 5½% Series "A" first mortgage bonds July 1, reducing outstanding bonded debt to slightly more than $1 million.

Directors—F. S. Meighen, pres.; C. H. G. Short, vice-pres. and gen. mgr.; D. A. MacInnes, asst. sec.-treas.; Hugh MacKay, R. W. Reford, L. M. Strachan; Montreal; C. W. Cotter, Ottawa; R. G. Owen, Toronto.
Sec.-treas.—R. R. Hutchison.

McCormick's Ltd.

McCormick's Ltd, manufacturers of biscuits and candies, with head office in London, Ont., was acquired by George Weston Ltd. in March, 1937. With all the common stock held by George Weston, Ltd., the only securities outstanding are the 4½% prior lien, and 4% first mortgage bonds, guaranteed by the controlling company. Interest on these and other bonds outstanding of George Weston Ltd. was covered 13.05 times in the 1940 year.

Directors—F. A. McCormick, chm. of board, London, Ont.; J. A. Gairdner, F. W. St. Lawrence, pres.; R. A. Robertson, Toronto; W. Garfield Weston, Marlow, Eng.
Sec.-treas.—E. G. Brown.

Moirs Ltd.

Sales of Moirs Ltd., manufacturers of chocolates, confectionery, bread, cakes, biscuits, etc., are running well ahead of last year. Prospects are volume will be better in the current year than in 1940.

In the latter year the company reported net earnings of $223,480, against $115,045 in 1939. Net profit of $52,789 was shown for 1940. In several previous years, balance after bond interest was written off to depreciation reserve.

Higher labor and material costs are being experienced, contracting profit margins, but earnings are running ahead of 1940.

Recent development in operations has been the building up of an export market to the West Indies because of irregular British deliveries of biscuits and confectionery. Increased business activity in the Maritimes also has stimulated sales in this territory. In recent years the company has concentrated on the Maritime market after an unsuccessful attempt to break into the larger Quebec and Ontario fields.

Directors—J. C. MacKeen, pres.; W. K. McKean, vice-pres.; W. B. Proctor, man. dir.; J. Fred Fraser, C. W. Stairs, D. R. Turnbull, J. McG. Stewart, Halifax, N.S.

Viau Ltd.

Sales and earnings of Viau Ltd. are running ahead of last year with prospects for the remainder of the year considered good.

The company, manufacturer of biscuits and confectionery, is experiencing some difficulty in obtaining essential raw materials. Costs of labor and materials have risen sharply and it has not been possible to pass along rising costs completely to the consumer.

Notwithstanding difficulties, it is anticipated earnings for the year ending Jan. 31, 1942, will surpass those of last year when net profit amounted to $58,100. Earnings on the common stock amounted to 24 cents, compared with net profit of $85,543 and 85 cents on the common the year before.

Dividend payments on the preferred stock have been maintained since reorganization in 1936. No payments have been made on the common.

Directors — Albert Hudon, chm.; Roger Viau, pres.; Guy Perron, vice-pres.; Wilfrid Gagnon, J. E. Lanole, E. D. Tetreau; Montreal.
Sec.-treas.—Alfred Robitaillé.

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Silverwood

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Dressed Poultry Soda Fountain Supplies Fresh Eggs Frozen Eggs

Silverwood Dairies Limited: Head Office, LONDON, CANADA

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Dairy Companies Use Full Capacity

Rising Volume of Business Offsets Price Controls and Rising Costs

Although prices of milk to the consumer have risen moderately since the outbreak of war, all the price gains have been earmarked direct to the producer's pocket, to help stimulate the flow of milk to Canadian industrial centres and British breakfast tables.

But for the first time in perhaps a dozen years, dairy and creamery companies are generally able to utilize to the full the large capital equipment that has been installed. Milk deliveries are up substantially as a result of rising consumer demand, and the milkman leaves an extra pint or so at each call. While labor and material costs have advanced and labor turnover is a problem, the majority of milk company balance sheets show an improvement as overhead expenses are spread over a wider output.

Acme Farmers

Like other units in the dairy industry, Acme Farmers Dairy Ltd. had better operations in the past year. The company, controlled by Eastern Dairies Ltd., merchandises dairy products in Toronto, including milk, cream, butter, buttermilk, cheese, ice cream, condensed milk, eggs, etc.

In the year ended March 31, 1941, it had a substantial increase in milk and cream sold over the preceding year. Ice cream and other frozen confection sales were well maintained and there was a good demand for milk powder and other by-products at relatively stable prices.

Operating profit for the past fiscal year rose to $265,069 from $169,561 in the preceding year. Net profit, however, dropped to $87 from $228 in the previous year. Earning ability of the organization has been unsatisfactory and not since 1935 have any substantial earnings been shown on the 7% preferred stock. No dividends have been paid since Feb. 10, 1933, and the stock is in arrears $61.25 a share.

Directors—W. R. Aird, pres., E. G. Smith, Montreal; Hon. George S. Henry, vice-pres., Todmorden, Ont.; J. G. Cornell, Scarborough, Ont.; D. H. McDougall, F. L. Hubbard, Toronto.

Gen. mgr. and sec.-treas.—E. W. King.

Borden Company

Operations of the Borden Co. are carried on in Canada through a wholly owned subsidiary, the Borden Co., Ltd. Through this subsidiary all branches of the dairy industry are engaged, including manufacture and sale of evaporated and condensed milk, cheese, dried fruit juices and other specialties, ice cream and allied products, and purchase and distribution of cream, milk, butter, eggs, etc., are carried on.

The operating subsidiaries of the Canadian company include Caulfield's Dairy, Ltd., Toronto; J. J. Joubert, Ltée, Montreal; Laurentian Dairy Ltd., Ottawa; Moyneur Co-operative Creamery Ltd., Ottawa. A number of other companies have been acquired which are operated as divisions of the Borden Co., Ltd., including: The City Dairy Co., Toronto; Ottawa Dairy Co., Ltd.; Hamilton Pure Milk Dairy; Walkerside Dairy Co., and also Borden Co., Ltd., Dry Milk Division, in addition to which farm products and cheese divisions are operated.

Directors—T. G. Montague, pres.; G. M. Waugh, Jr., chm. and vice-pres.; C. E. Beardslee, R. V. Jones, H. W. Comfort, A. W. Ramsdell, vice-presidents, New York; G. G. Thompson, M. D. Warner, vice-presidents, Toronto; H. A. Ross, New York; Britton Osler, Toronto; Hon. C. C. Ballantyne, Napoleon Charest, Hon. Donat Raymond, Montreal; G. C. Edwards, Ottawa; Maj. Gen. Hon. S. C. Mewburn, Hamilton.

Sec.—W. H. Rebman, New York.

Treas.—E. L. Noetzel, New York.

Carnation Company

Major Canadian investment interest in the activities of Carnation Co. is in the 5% $100 par preferred stock, listed on the Toronto Stock Exchange. In the five years in which this stock has been outstanding, earnings have never been less than $46.55 per share and reached a peak of $85.35 in 1939. The 1940 earnings amounted to $78.99 per share.

Operating 30 evaporated milk plants and 28 receiving stations in the United States, the company also has one condensery at Aylmer, Ont., and another at Sherbrooke, Quebec, the latter having been completed in Oct., 1939. In addition to its condensed milk activities the company owns can factories, research laboratories and mills for the production of cereals and feed. From these properties Carnation produces evaporated, condensed, malted and powdered milk; fresh milk, cream, butter, cheese and ice cream; cereal, poultry and cattle feed.

Directors—*E. A. Stuart, chm., Los Angeles; *E. H. Stuart, pres. and treas.; *P. G. Kinzer, *J. F. Douglas, A. M. Ghormley, vice-pres's.; Milwaukee, Wis.; W. C. Cross, vice-pres.; J. S. Wilkinson; Oconomowoc, Wis.; R. H. Fullerton, New York; Walter Kasten, Milwaukee.

Sec.—E. S. Hartwick.

*Executive committee.

Crescent Creamery

More satisfactory operating conditions permitted Crescent Creamery Co., Winnipeg, to convert net loss of $140 in the 1939-40 fiscal year into a net profit of $9,664 in the year ended March 31, 1941. The company is a subsidiary of Eastern Dairies Ltd. and operates the oldest and largest general dairy business in Manitoba. The parent company owns the entire outstanding issue of common stock of 50,000 shares. Public investment interest is confined to 6,551 7% preferred shares of $100 par value. The company has reported net losses before 1941 for many years and no dividends have been paid on the preferred stock since April 15, 1933. Arrears total $58.50 a share.

Directors—W. R. Aird, pres., Montreal; J. E. Woods, vice-pres., R. D. Guy, A. E. Johnston, S. N. Jones, Herbert Sellers, C. C. Wardrope, Winnipeg.

Gen. mgr.—C. W. Johnson.

Sec.-treas.—C. V. Thompson.

Dairy Corporation

Although no dividends have yet been paid since the reorganization in 1939, earnings in the latest fiscal year of Dairy Corp. ended March 31, 1941, covered the preferred requirements by more than double, the year's operations resulting in a net profit of $5.80 per preferred share. Earnings in the 1940 year of $3.05 also covered preferred requirements by a smaller margin.

Dividends on the preferred do not become cumulative until after Oct. 1, 1944, and it has been stated that no dividends will be paid until substantial reductions have been made in bank loans.

In the past year bank loans were reduced from $416,129 to $246,435, as at March 31, 1941. The four operating subsidiaries, City Dairy, Ltd., Winnipeg; Purity Dairy Products, Ltd., Saskatoon; Edmonton City Dairy, Ltd.; and Purity Dairy, Ltd., Regina, all ended the latest year with bank loans completely repaid.

Dairy Corp. further improved its working capital in the latest year by the sale of bonds of United Dairies Ltd. and the sale of the common stock of Woodland Dairies Ltd. together with the disposition of $51,000 in 5% first mortgage bonds of Edmonton City Dairy Ltd. As a result of these transactions and the favorable year's earnings, the excess of current liabilities over current assets was lowered during the year from $193,387 to $42,343.

Directors—J. A. Caulder, pres. and man. dir., Winnipeg; R. A. Daly, vice-pres. and treas., H. G. Stapells, sec., W. P. Fess, Dr. J. J. Gibson, A. E. Naylor, Toronto; A. E. Silverwood, London, Ont.

Eastern Dairies

In the past couple of years Eastern Dairies Ltd. has been able to effect a marked betterment in operations. In the year ended March 31, operating profit rose to $620,417 from $419,017 in the previous year. Net profit of $28,195 was the best since 1933 and compares with a net loss of $12,696 in the year ended March 31, 1940.

Betterment in sales extended to the four operating subsidiaries and to all lines distributed, particularly milk, cream, ice cream and other frozen confections. Increased consumption of dairy products was attributed to the higher level of employment and the ability of the moderate income family to increase consumption of dairy products.

In the first two months of the current year sales and earnings were substantially higher than in the same period last year. While there has been no official announcement it is considered possible that the upward trend has continued.

Operating costs, on the other hand, are increasing steadily, and for the company to maintain progress, it must further increase sales volume.

Despite the materially better earnings last year the company fell far short of covering dividends on the 7% preferred stock. Net profit was equal to earnings on combined preferred shares of the company and subsidiaries outstanding of 75 cents a share. In the past nine years the company has failed to show any substantial earning power. No dividends have been paid on the preferred stock since Jan. 15, 1933; and arrears now total $61.25 a share.

In the past two years the company has strengthened its financial position. Working capital at March 31 totalled $360,315, compared with $213,225 at the end of the previous year and $79,913 in the 1938-39 fiscal year.

Directors—W. R. Aird, pres. and man. dir.; P. A. Thomson, vice-pres.; Maj. Gen. C. B. Price, A. J. Nesbitt, Montreal; E. W. King, Toronto.

Sec.-treas.—C. V. Thompson.

Edmonton City Dairy

Edmonton City Dairy Ltd., a wholly owned subsidiary of Dairy Corp. of Canada, was organized in 1940, as successor to a company of the same name. The main public interest since its reorganization has been the 5¼% general mortgage bonds, although the recent sale of $51,000 of the 5% first mortgage bonds by the parent company has presumably widened this interest.

Sales for the year ended March 31, 1941, amounted to $844,198, as compared with $829,255, the year before. Terms of the reorganization which took place in 1940, prevent payment of dividends before Jan. 1, 1945, and in addition, a number of other restrictions are imposed for safeguarding first mortgage bondholders.

Highland Dairy

Operating a dairy business in Toronto and vicinity, Highland Dairy Ltd. has a capacity of approximately 30,000 quarts of milk daily. In 1939 a reduction in the dividend rate on preferred stock from 7% to 5% was effected. Arrears of dividends have since been reduced to $1.50 per share. In 1941, payment of $3.50 was made January 3, and on July 3, payment of $2.50 was made.

Directors—F. F. Appleton, pres.; R. J. MacDonald, vice-pres. and man. dir.; M. M. Kennedy, sec.-treas.; D. C. Kay, Toronto; Talmage Bryan, Sunderland, Ont.

Quinte Milk Products

With head office at Wellington, Ont., Quinte Milk Products Ltd., manufactures and sells a wide variety of milk products including cream, butter, ice cream, casein, albumen, condensed milk, etc. Wholly owned subsidiary Quinte Creamery Ltd. is operated at Toronto.

Net earnings per share for 1940 of 32 cents were down from the unusually good figures of 52 cents a share for 1939, but the dividend rate was raised from 15 cents to 20 cents per share in that year. Increase of capital stock through the offering of rights from 36,000 shares to 42,500, helped account for the decrease per share earnings.

Dividend payments which are made semi-annually will total 25 cents in the current year following the declaration of an extra 5 cents dividend in August.

Directors—A. L. A. Richardson, pres., Toronto; J. M. Hartwick, vice-pres. & gen. mgr.; F. L. Bell, sec.-treas., Wellington, Ont.; W. Ingram, W. R. Salter, Toronto.

Silverwood Dairies

Improvement in volume for Silverwood Dairies Ltd., London, Ont., in the year ended March 31, 1941, enabled the company to pay off arrears on preferred dividends and commence payment on the common stock this year. An increase in sales of almost $1 million to $7.7 millions was offset by sharply higher taxation and other increases in cost. Net profits dropped from $139,067 in the 1940 business year to $116,315.

The larger volume of business handled resulted in larger operating profits which amounted to 4.19% of sales compared with an earning ratio of 2.76% the year before. Working capital increased in the period from $549,172 to $867,091. Further reduction in costs will result from the redemption of bonds earlier this year which carried coupons of 5%, and their replacements with 4½% first mortgage bonds.

In common with other dairy firms, earnings of Silverwood are sensitive to increases in volume owing to the factor of overhead costs in the expenses of milk production and distribution. Increasing volume in the current year has further stimulated earnings.

A new central dairy plant in London, Ont., is nearing completion. Equipped in the most modern style, it is stated that the new plant will increase operating efficiency and free older units for other uses. One of these uses will be storage of evaporated milk, a new and growing export business for the company.

Directors—A. E. Silverwood, pres.; *W. E. Robinson, vice-pres.; J. H. Duplan, man. dir.; J. H. Gillies, compt. and sec.-treas.; E. G. Silverwood, R. G. Ivey, London, Ont.; E. K. Reiner, Wellesley, Ont.; E. W. Nesbitt, Woodstock, Ont.; W. H. Carruthers, Dr. L. E. Pollock, T. R. Harrison, Toronto.

DAIRY PRODUCTS SECURITIES

Stocks

	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Low	Last Price	Yield %
Borden Co., Ltd. (wholly owned by the Borden Co.):								
Common, par $100 ...	40,000 sh.	Not available		...	...	...	...	...
All owned by parent company, except directors' qualifying shares.								
Carnation Co.:								
1st pref., par $100	*2,935,900	78.99	85.53	5.00	119½	114	118¼	4.2
Common, n.p.v.	*609,491 sh.	3.56	3.83	‡1.00	†41½	27	41	...
*Not including 18,515 common and 683 preferred shares issued and held in treasury. †N. Y. Curb. ‡Paid in 1941 to date.								
Dairy Corporation of Canada:								
1st pfd. red., par $50 .	6,586 sh.	*5.80	*3.05	nil	...	...	...	...
Common, n.p.v.	78,635 sh.	0.28	0.05	nil	...	...	...	...
*Years ended Mar. 31, 1941 and 1940.								
Edmonton City Dairy (Controlled by Dairy Corp.):								
Common, n.p.v.	30,000 sh.	...	...	nil	...	...	...	...
City Dairy (Controlled by Dairy Corp. of Canada):								
Common, n.p.v.	*30,000 sh.	...	...	nil	...	...	...	...
*All owned by Dairy Corp.								
Eastern Dairies:								
7% pf. cum., par $100	2,500,000	0.75	d0.34	nil	11¼	3	10	...
Common, n.p.v.	99,020 sh.	d2.37	d2.78	nil	1.00	.25	.75	...
*Years ended Mar. 31, 1941 and 1940								
Acme Farmers Dairy (Controlled by Eastern Dairies):								
Pref. 7% par $100 ...	700,000	0.01	0.03	nil	...	...	...	...
Common, n.p.v.	83,420 sh.	...	...	nil	...	...	...	...
All common stock owned by Eastern Dairies, with exception of directors' shares.								
*For years ended Mar. 31, 1941 and 1940.								
Crescent Creamery (Subsidiary of Eastern Dairies):								
Pf. 7% cum., par $100	1,000,000	0.97	d0.01	nil	15	8	12	...
Common, n.p.v.	50,000 sh.	...	...	nil	...	...	...	...
Common stock all owned by parent company.								
*Years ended Mar. 31, 1941 and 1940.								
Highland Dairy:								
Pref. 5%, par $100 ...	145,500	Not available		*6.00	...	...	...	...
Common, n.p.v.	19,534 sh.			nil	...	...	...	...
*Paid in 1941 to date.								
Quinte Milk Products:								
Common, n.p.v.	42,500 sh.	0.32	0.52	0.20+.05	...	...	...	...
Option to Nov. 1, 1944, held by officers of company to purchase up to 3,500 shares at $2.25 per share.								
Silverwood Dairies:								
Pf. cum. part., n.p.v.	145,000 sh.	0.80	1.03	0.40	7⅝	5	6¾	5.9
Common, n.p.v.	176,598 sh.	0.33	0.52	0.40	7	3	6⅝	5.9
*For years ended Mar. 31, 1941 and 1940.								
Toronto Dairies:								
Pef. 7% cum., par $10	103,000	Not available		nil	...	...	...	...
Common, n.p.v.	50,000 sh.			nil	...	...	...	...
United Dairies:								
Pf. 5% cum., par $100	400,000	Not available		nil	...	...	...	...
Common, n.p.v.	50,000 sh.			nil	...	...	...	...

Bonds

	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	1939
Edmonton City Dairy:					
1st Mtge. S. F.	5	1960	*250,000	Not available	
Gen. Mortgage	5¼	1960	245,100		
*$199,000 owned by Dairy Corporation.					
City Dairy (Controlled by Dairy Corp of Canada):					
1st Mtge. S. F.	5	1956	408,200	Not available	
Gen. Mortgage	6	1956	107,175		
Eastern Dairies:					
1st Coll. Tr. Conv. A	6	1949	2,433,000	1.32	0.94
Acme Farmers Dairy (Controlled by Eastern Dairies):					
Debenture Notes	7	1949	*700,000	...	...
*All held as collateral for parent company's funded debt.					
Silverwood Dairies:					
1st Mtg. Serial	4½	1942-47	600,000	8.48	6.53
Sinking Fund	4½	1956	900,000		
Reg. S. F. Debs.	6	1966	1,450,000	4.74	3.15
United Dairies:					
1st Mortgage	5¼	1958	694,200	...	...

Toronto Dairies

Toronto Dairies Ltd. does not issue financial statements and no dividends have been paid on the 7% preferred stock since Sept. 15, 1932. The company operates a dairy business in Toronto, on co-operative lines between producer and consumer.

Directors—W. A. Dryden, pres.; G. E. McCann, sec.-treas.; T. A. Murphy, F. W. Hambly, Dr. G. Hyland, Toronto.

United Dairies

With head office in Calgary, United Dairies Ltd. manufactures and distributes dairy products with 20 creameries in Alberta and British Columbia. Union Milk Company and Crystal Dairy Ltd., both of Calgary, are subsidiaries. At the last report available for the period ending March 31, 1940, current assets totalled $451,403, and current liabilities $307,229. Consolidated net profit for the year was $14,905. Principal investment interest is in the company's 5¼% first mortgage bonds due Jan. 1, 1958, of which 694,200 were outstanding at last report.

Directors—T. M. Carlyle, pres. and gen. mgr., Calgary; D. J. Morkeberg, vice-pres., Markerville, Alta.; Mrs. J. W. Carlyle, H. A. Howard, R. W. Ward, J. T. Burns, P. Fleming.

Asst. gen. mgr.—E. E. Peterson.

Sec.—E. Richardson.

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Food Trade and Imports

Major Problem Faced in Various Ways

Trend in food merchandising in Canada during the past year has been toward bigger stores, greater sales per unit, lower per dollar expenses, and lower margins. One example of this is seen in the recent annual statement of Loblaw Groceterias Co. Ltd., which in its last fiscal year had sales of $35,301,817—an increase of 22.9% over the previous year. Yet the net profit amounted to 3.39% on sales after deducting income taxes which compared with 4.7% in the previous year—a reduction of 1.3%. While the Atlantic and Pacific Tea Co. does not publish any figures for its Canadian division alone, net profit on its total sales in the United States and Canada last year was 1.64%. Compared with 1.88% for previous year. Aggressive independents and a number of the chain companies continue to expand in the direction of larger market stores. There's a tendency among chains to reduce number of units in operation.

Canada Tea Co.

With head office in Toronto, Canada Tea Co. deals in tea, coffee, spices, etc., with subsidiaries at Toronto, Hamilton, Brantford, Peterborough and London.

Company's annual report for the year ended May 31, 1941, stated collections in the year were the most satisfactory for a number of years and that both wholesale and retail sales were showing a substantial increase. During the year steadily increased costs of both coffee and tea had to be faced. In common with other importing firms there was some difficulty in obtaining supplies of tea owing to the lack of shipping. At the time of the annual report arrears on the 7% $100 par preferred stock amounted to $72.50 per share.

Dominion Stores

For a number of years Dominion Stores Ltd. has been reducing the number of stores operated and increasing the efficiency of those retained. On the 488 stores at the end of 1936, average sales for the year were $39,825, while by the end of 1940, the total number of stores was 324 and the year's sales per store were $55,928.

This programme has been continued into the present year, and 286 stores are now being operated. Of these 70 are of the groceteria type, and 20 of the groceterias are of the larger type.

Increasing efficiency of the Dominion Stores system resulted in net profits in 1940 of $100,819, compared with losses in the two previous years. The 1940 profits were realized although gross sales of $18.1 millions were lower than those of the preceding two years, and although the company allowed a total of $56,850 for income and excess profits taxes. In the first quarter of 1941 total sales were officially stated to be 5.2% above those for the same period of 1940, and sales per store were up 22.1%. In the latter part of the year, these gains in sales have been further extended at an accelerating pace.

Directors—E. G. Wills, chm.; J. W. Horsey, pres.; Toronto; R. O. Johnson, vice-pres.; Francois Faure, Mme. P. F. Casgrain, Montreal; N. L. Nathanson, S. G. Bennett, R. R. Corson, Toronto; J. B. Jameson, Concord, N.H.
Vice-pres.—L. D. Squair.
Sec.-treas.—F. McConnell.

FOOD MERCHANDISING SECURITIES

Stocks

	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Price Range —1940-41— Low	Last Price	Yield %
Canada Tea:								
Pref. 7%, par $100 ...	171,400	Not available		*4%	...	...	...	...
Common, par $100 ...	331,200			...	...	...	...	...
*Paid in 1940.								
Dominion Stores:								
Pf. 6% cum., par $100	†5,000,000	...	...	...	...	...	...	...
Com., n.p.v.	280,014 sh.	0.36	d0.45	nil	6½	3	6	...
†Authorized, none outstanding.								
Fanny Farmer Candy Shops:								
Com., par. $1	365,051⅓ sh.	2.68	2.56	1.50+25c†	30	20⅜	21½	8
*Outstanding in hands of public. In addition company has purchased and registered in its own name 34 shares. †Extra paid Dec., 1940.								
Hunt's Ltd.:								
Cl. A non-vot., n.p.v.	18,656 sh.	d0.36	d1.55	nil	11	3¼	6½	...
Cl. B vot., n.p.v.	15,000 sh.			nil	10⅝	2	8½	...
Jenkin's Groceteria:								
Pf. 7% cum., par $100	472,600	9.01	10.86	7.00	...	...	...	...
Com., n.p.v.	20,000 sh.	0.47	0.91	nil	...	...	...	...
Laura Secord:								
Com., n.p.v.	287,500 sh.	0.804	1.00	0.80	13¼	9	10⅜	7.8
Loblaw Groceterias Inc.:								
Common, par $6	339,492	1.02	*0.89	†0.85	...	...	...	...
*For 53 weeks ended Mar. 2, 1940. †Quarterly div. of 25 cents payable Dec. 1, 1941.								
Loblaw Groceterias:								
Cl. A cum. red., n.p.v.	445,056 sh.	*1.45	*1.64	†1.00	28½	20	25½	4.9
Cl. B, n.p.v.	383,300 sh.			†1.00	27	20	25	5
*For years ended May 31, 1941 and June 1, 1940. †Extra of 12½ cents paid June 2, 1941.								
National Grocers:								
Pf. $1.50 cum., par $20	147,782 sh.	*3.26	*4.00	1.50	26¼	22	26¼	5.7
Com., n.p.v.	295,852 sh.	0.88	1.27	nil	8½	3¾	4½	...
*For years ended Mar. 31, 1941 and 1940.								
Stop & Shop:								
Pref. cum. part., par $10	555,550	...	...	nil	...	...	...	...
Com., n.p.v.	49,841 sh.	...	...	nil	.25	.15	.15	...
Bondhldrs. pf., par $1	4 sh.	...	...	...	...	...	...	...
Thrift Stores (Controlled by Stop & Shop):								
1st pf. cum. red., par $25	342,750	*3.75	*4.17	nil	12	6	8	...
2nd pf. cum. red., par $10	120,000	2.43	2.91	nil	...	...	...	...
Ordinary, n.p.v.	20,000 sh.	1.04	1.32	nil	3.00	0.20	2.00	...
*For years ended Mar. 29, 1941 and Mar. 30, 1940.								
Western Grocers:								
Pref. cum. part., par $100	1,194,300	22.58	18.98	7.00	115	103	111	6.3
Com., n.p.v.	16,943 sh.	10.98	8.45	*3.00	62	40	50	8
*Extra of $1 paid Apr. 15, 1941.								

Bonds

	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	Times Int. Earned After Deprec. 1939
National Grocers:					
1st Mtge. closed ser.	4	1936–47	600,000	22.59	19.88
Stop & Shop:					
1st Mtge. S. F.	*3	1947	366,500	1.07	1.0[illegible]
2nd Mortgage	*3	†1947	50,400		

*Rate changed from 6% to 3% commencing with payment due Apr. 1, 1938; plus 3% computed from Oct. 1, 1937, but payable only out of one half net operating profits. †Extended from Dec., 1939.

Burns
SPORK
THE MEAT OF MANY USES

The Proof is in the Sales Record

Spork

The successful sales record of this delicious meat product is proof of the modern manner in which the Pioneer Packers of the Canadian West' serve today's modern markets.

BURNS & CO. LIMITED
Pioneer Packers of the Canadian West

Fanny Farmer

Since Fanny Farmer Candy Shops was incorporated in 1919 the number of stores has grown from four to 290, and sales have increased from $193,413 to $8.5 millions. Average sales per store in the past five years have run $29,000 to $30,000; in 1940 the average was $29,247.

Following the course of increasing sales, earnings available for shareholders have mounted steadily. In 1940 earnings per share were $2.68; they were $2.56 in 1939 and $2.35 in 1938.

While company operations and earnings have been expanding, it has been the policy to retire by purchase in the open market, certain blocks of common stock. This policy first began in 1934, and by the end of last year the issued capital of 400,000 shares had been reduced to 365,051 1/3 shares. The double influence of rising earnings and lower capitalization has permitted the company to pay dividends totalling $1.75 in each of the past four years, the current regular rate being $1.50 payable quarterly to which an extra dividend of 25 cents has been added in the December quarterly payment for the past two years.

Directors—J. D. Hayes, pres. and chm.; J. F. Burke, vice-pres. and asst. to pres.; J. P. Hogan, sec., Rochester; R. R. Corson, Toronto; C. H. McLean, Montreal; C. S. Hallaner.
Vice-pres.—M. I. Farrell, Brooklyn, N.Y.; J. F. Cronin, Minneapolis, Minn.
Treas.—W. E. McFadden, Rochester.

Hunt's Limited

During 1940, Hunt's Ltd., operating a chain of bakery and confectionery stores and restaurants in Toronto, Ottawa, Hamilton and London, showed steady improvement in operating results. Although sales for the year of $1,199,694 were fractionally below the $1,213,497 recorded in 1939, net operating income rose to $28,344 against $1,366. After depreciation, the net loss fell from $52,223 to $18,723.

The improved earning condition on a slightly smaller volume of sales reflects advantages gained through the modernization programme which began in 1939. The programme involves the discontinuation of many stores combining restaurants and confectionery counters. A number of unprofitable outlets have been closed, with the result that the remaining units have been freed from this handicap. Substantial gains in sales and in operating profits have been experienced during 1941, and officials expect that the current year will bring net profits. A new unit has recently been opened in Toronto, and with 20 out of 32 locations modernized, all of the company's units are now showing operating profits.

Directors—H. W. Hunt, pres. and man. dir.; L. K. Hergert, sec.-treas.; J. H. Ratcliffe, Muriel G. Laidlaw, all of Toronto; Fred T. Brooks, Hamilton, Ont.

Jenkins' Groceteria

From its head office in Calgary, Jenkins' Groceteria Ltd. operates a chain of 39 grocery stores direct and through subsidiaries. Operating earnings showed improvement in 1940 for the third successive year, but heavier income taxes brought per share earnings down to 47 cents from the 91 cents earned in 1939. Dividends on the 7% preferred have been continued in full. The company has $350,374 of working capital.

Laura Secord

The business year of Laura Secord Candy Shops for 1941 ended September 30. Reports for the last year have not yet been received, but it is believed they will show some improvement over the preceding period. Sales have advanced further and it is probable these will have compensated the increase in taxes and operating costs.

In the 1940 fiscal year Laura Secord sales were just short of $2 millions. In the previous year they had totalled $1.7 million, and as a result, net operating profit for 1940 was nearly $100,000 higher than in the previous year. Against this, income from investments was down, there was a loss instead of a profit on the sale of investments, taxes jumped $70,000. Net result for shareholders was that earnings per share fell to 80.4 cents against $1 the year before. By a narrow margin they remain above the regular dividend rate of 80 cents per share.

Working capital of $1.8 million is nearly equal to a year's sales. In spite of the decline in the earnings of 1940 fiscal year, working capital advanced from $1,793,208 to $1,844,911.

Directors—J. D. Hayes, pres. and gen. mgr.; C. P. Moher, vice-pres.; R. R. Corson, vice-pres.; J. F. Lash; C. H. Ellston, sec.-treas., Toronto.

Loblaw Ltd.

Closing its year with 113 stores in operation, Loblaw Groceterias Co. reported a sales increase of 22.98% in the year ended May 31, 1941, over the previous period.

Working on a lower profit margin in keeping with its wartime policy, the net earnings of Loblaw Groceterias before taxes amounted to 5.58 cents on the dollar of sales. The year before, operating profits amounted to 6.66 cents per sales dollar, but after allowing for income and excess profits taxes, net profits amounted to only 3.4 cents of the sales dollar against 4.7 cents last year.

While taxes which increased $220,000 over last year prevented the company from showing increased earnings on its class A and B stock, dividends which have been paid at the rate of $1.25 per share annually remained covered per share earnings of $1.45 in the latest year compared with $1.64 in the year ended June 1, 1940.

Total sales increased 22.89% and the sales per store operated with 113 units in action against 114 at the end of the previous year rose by a higher percentage from $251,980 per store in 1940 to $312,405 per store in 1941.

Directors—J. Milton Cork, pres.; C. B. Shields, vice-pres. and gen. mgr.; Daniel Urquhart, vice-pres.; Justin M. Cork, vice-pres. and asst. gen. mgr.; R. G. Meech, sec. and treas.; W. E. Cork, Toronto; W. A. Arbuckle, Montreal.

Loblaw Inc.

Organized in 1924 under the direction of the Canadian company of similar name, Loblaw Groceterias Inc. has since grown into a chain of 118 self serve grocery stores in the U. S. A. Over half of these are equipped with meat markets and many, including practically all of the later additions have been of the larger type, operating usually five or more cash registers.

The steady expansion programme kept working capital in the latest year to approximately the same level of the previous year, $874,401. In the present fiscal year the company is continuing its programme of enlarging its organization, replacing older units with more modern stores, and, within the limits of the priorities governing the supply of materials, adding to the number of stores operated.

Sales have shown a 40% advance in the first half of the current business year, and while operating costs and taxes have advanced substantially the net profits for shareholders promise to show further gains. In line with the growth in operations the quarterly dividend payable Dec. 1, 1941, has been increased to 25 cents, U. S. funds from the former rate of 20 cents.

Loblaw Inc. has recently opened its largest unit at Rochester, with 8,500 sq. ft. of floor space and an adjoining parking lot with space for 200 cars. A large addition has recently been completed at the main Buffalo, N.Y., warehouse. A warehouse at Syracuse is also operated.

Directors—F. K. Morrow, pres., Toronto; J. R. Peachey, vice-pres. and gen. mgr., Buffalo; S. G. Score, treas., Snyder, N.Y.; Daniel Urquhart, W. G. Watson, R. S. McPherson, Toronto; J. F. Harter, Eggertsville, N.Y.; C. H. Greene, sec.; M. D. Gleason, asst. sec.; L. Frantz, sales mgr.; K. W. Camplin, merchandise mgr.; G. D. Price, mgr. Syracuse division; J. R. Richards, mgr. meat dept.; C. J. Schlinder, mgr. green goods; W. Eldridge, warehouse supt.; J. K. MacDonald, chief supervisor.

National Grocers

One of the largest wholesale distributors of groceries in Ontario, as National Grocers Co. numbers its customers at over 10,000 retail grocers. With 32 wholesale jobbing branches and warehouses, the company owns a manufacturing plant in Toronto engaged in preparing and distributing spices, extracts, coffee, tea, etc.

Steady retirement of the company's serial bonds has reduced the amount outstanding from the original $1.2 million to $700,000 at March 31. In addition to the reduction of first mortgage bonds, National Grocers has in the past year been retiring some of its outstanding preferred shares.

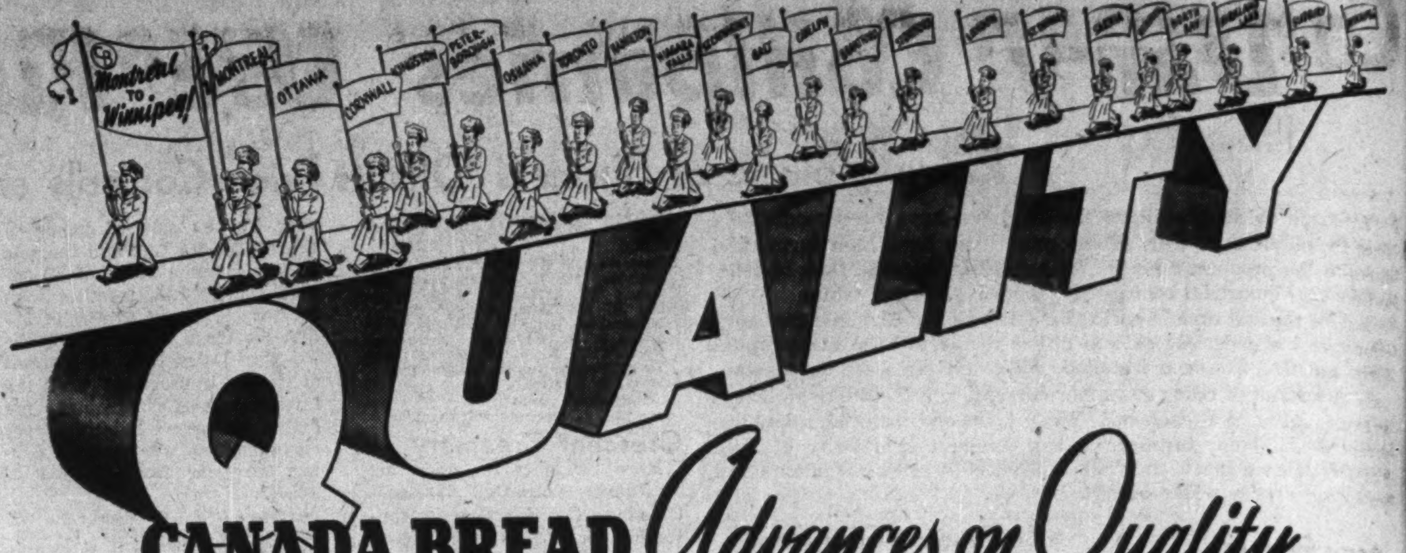
Largely because payment of common dividends has been postponed temporarily owing to wartime uncertainties, working capital has advanced steadily in the past two years, amounting to nearly $3.8 millions at the close of the latest fiscal year. A sharp increase in sales is reported in the first six months of the current fiscal year, but it is as yet too early to predict the effect of this gain on net profits in the face of the increased tax situation.

Directors—Archie Foster, pres. and chm. of board; M. D. Lemon, vice-pres.; T. H. Kinnear, sec.-treas.; David Blain, T. J. Medland, A. Marland Woolnough, Toronto; W. G. McLauchlan, Owen Sound; A. J. Major, Ottawa; Hon. George Gordon, North Bay; W. H. Kenny, Sarnia; H. L. McNally, gen. mgr.
Compt. and asst. sec.-treas.—R. H. Bainard.

Stop & Shop

As the holding company controlling Thrift Stores, Ltd., revenues of Stop and Shop Ltd. are at present made up of rentals on properties principally leased to Thrift Stores, and note interest and other interest on advances to the subsidiary.

In its latest fiscal year ending April 30, 1941, the company sold two of its properties and a mortgage receivable, and also sold to Thrift Stores Ltd. all its equipment in the cities of Montreal and Ottawa. Proceeds plus other funds were used in the reduction of the bank loan and funded indebtedness. These two items of the 1941 balance sheet amounted to $23,191 and $416,900 respectively as compared with the preceding year in which they amounted to $35,437 and $457,100.



CANADA BREAD *Advances on Quality*

For nearly 30 years the advance of Canada Bread has been a story of unwavering high quality — high quality of ingredient, high quality of product, high quality of service. These standards of quality are universal in Canada Bread Plants. Quality of ingredient, quality of product, quality of service are the major factors in determining the number of customers of a bakery. Canada Bread is now serving over 700,000 Canadian customers. This means employment to over 2,000 people and annual purchase of materials amounting to over $4,000,000.

CANADA BREAD
COMPANY, LIMITED

"The QUALITY Goes In Before The NAME Goes On"

Thrift Stores

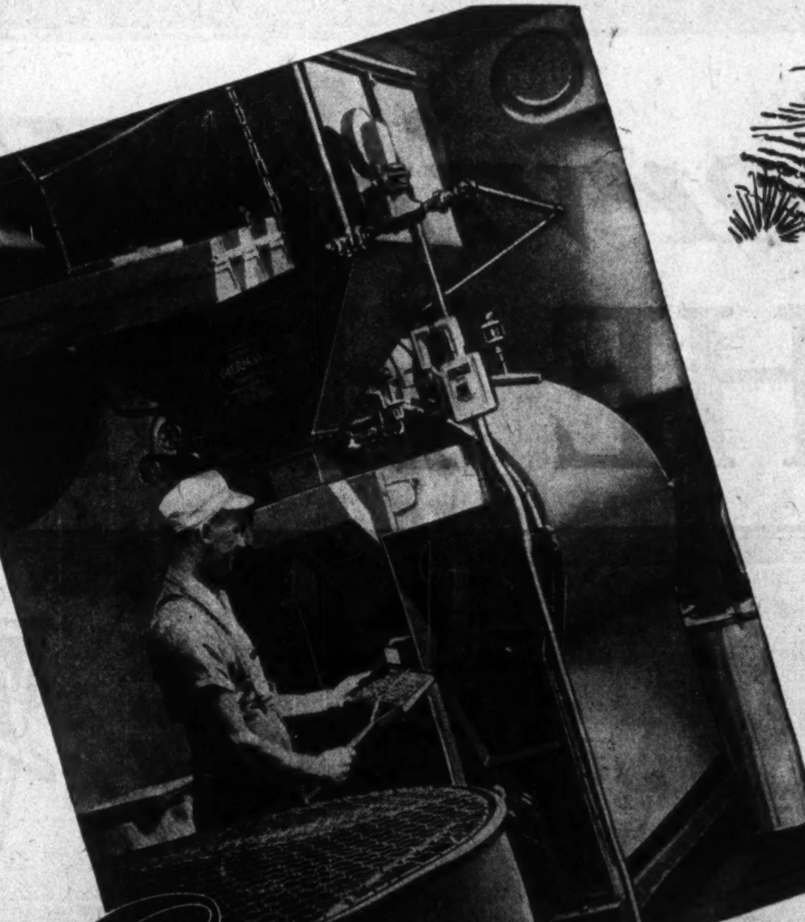
Thrift Stores Ltd. is the largest chain of retail grocery, and grocery and meat stores in the Montreal area. It runs 75 units in this territory and six in Ottawa.

Both dollar and tonnage sales in the year to date are running ahead of last year.

Despite reduction in stores operated from 88 to 81 in the year ended March 29, the company showed improvement in sales volume. Operating profit totalled $153,393, compared with $132,092 in the preceding year. Net profit amounted to $15,482, compared with $57,171, the reduction being due chiefly to increased taxation and depreciation provision. Net was equal to $1.04 on the common stock in the past year, against $1.32 in the preceding year.

During the year Stop & Shop Ltd., which controls Thrift Stores, increased its holdings of the first preference stock to 7,728 shares from 6,012. All of the second preference and 50% of the ordinary shares are held by Stop & Shop.

(Continued on page 19)



Gas ROASTS THE COFFEE

A view of a gas-fired coffee roaster in the plant of Messrs. R. B. Hayhoe & Company, Limited, Toronto, where Hayhoe's well known brands "Mountain Blend" Coffee and "Flowerdale Tea" are prepared. This coffee roaster is a modern installation complete with the automatic controls which safeguard quality. It is speedy, too; in it a five-hundred-pound batch can be prepared in approximately seventeen minutes.

Businesses in ever-growing numbers use gas wherever accurate and dependable heating is required. Gas is flexible, quick, clean and easily controlled by automatic equipment. The use of gas contributes to neatness, orderly arrangement, generally improved working conditions and improved quality of product.

Consult your gas company. Their experience is yours for the asking and without obligation.

Industrial Division
THE CONSUMERS' GAS COMPANY
124 RICHMOND ST. WEST TELEPHONE ADELAIDE 6941

Canadian Millers Fill Britain's Bins

Flour Exports Jump 380% Over 1938 as Shipping Puts Spotlight on Canada

Always one of the biggest bins in Britain's granary, the part played by Canada in supplying the mother country has leaped beyond recognition. Nearer to Britain than other sources of grain supply, the shipping situation has placed increasingly heavy emphasis on shipments from Canada. Flour exports have increased more sharply than wheat exports, as a result both of the saving in shipping space entailed by shipment of the finished product rather than grain, and because of wartime handicaps under which British millers operate.

In the first nine months of 1941, Canada has exported 9.5 million barrels of flour, against 5.2 millions for the same period in 1940, 3.4 millions in 1939 and 2.5 millions in 1938. Average price per barrel has been $3.89, a fraction of a cent below last year, and well below the $5.17 per barrel realized in 1938.

International Milling

In line with the rapidly rising output of flour and the increasing demand for such by-products as livestock feed, the annual report of International Milling Co. expected to appear in November, will likely show an increase in net profits over the previous fiscal year, ending Aug. 31, 1940.

The only security of the company in which there is active Canadian investment interest, is the 5% $100 par first preferred stock, and owing to the sinking fund provision, this security is gradually being reduced. Shares outstanding at Aug. 31, 1938, totalled 58,160. In last year's statement this had been reduced to 55,373 shares. Earnings on this stock last year amounted to $39.68, against $33.93 the year before. The first preferred stock of the company has an unbroken dividend record stretching back to 1912.

Lake of the Woods

Material improvement in domestic trade in the latter part of the Lake of the Woods Milling Co. business year, together with excellent export trade, were responsible for raising operating profit from $1 million in the previous year to over $1.2 million for the year ended Aug. 31, 1941. Sharply increased tax provisions, depreciation allowances and interest charges prevented the gain from being carried through to net profits, which advanced only some $2,000. Working capital increased from $1.2 million to $1.5 million in the year.

While exports to the United Kingdom have been on high levels in recent months, the future of this activity is uncertain. This will in all probability influence the company's dividend disbursement policy.

Directors—Brig.-Gen. F. S. Meighen, pres.; Hugh MacKay, vice-pres.; C. H. G. Short, gen. mgr.; R. W. Reford, Walter Molson, P. F. Sise, Hon. Alphonse Raymond, Montreal; I. Pitblado, Winnipeg; J. W. Hobbs, Toronto; J. H. Pillman, London, Eng.
Sec.—D. A. MacInnes.
Treas.—R. R. Hutchinson.

FLOUR MILLING SECURITIES

Stocks	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Price Range —1940-41— Low	Last Price	Yield %
International Milling:								
1st Pref., par $100 ...	5,537,300	39.68	33.93	5.00	116	109½	110⅛	4.5
2nd Pref., par $100 ..	‡1,000,000	...	...	...	...	...	...	...
Common, n.p.v.	▴274,711	6.99	5.97	†2.50	...	...	...	...
*Years ended Aug. 31. †Paid in 1940. ‡Authorized, previously issued to extent of $405,000, all redeemed Oct. 22, 1938, at par. ▴Privately held.								
Lake of the Woods Milling:								
Prem. cum. non-red., par $100	1,500,000	*31.91	*31.77	7.00	128	110	112	6.2
Common, n.p.v.	147,689 sh.	2.53	2.52	†0.70	27	11½	17	...
*Years ended Aug. 31, 1941 and 1940. †Paid in 1941 to date.								
Maple Leaf Milling:								
Class A pref., n.p.v.	91,997 sh.	*3.45	4.28	nil	9¼	2½	5¾	...
Common, n.p.v.	250,100 sh.	‡0.74	0.96	nil	5⅞	1⅜	3¼	...
Management, n.p.v. .	3 sh.							
*Years ended July 31. ‡Under participation clause.								
Ogilvie Flour Mills:								
Pref. cum non-coll., par $100	2,000,000	*45.27	*49.82	7.00	162	140	152	4.6
Common n.p.v.	600,000 sh.	1.28	1.43	1.00	33½	18	22½	4.4
*Year ended Aug. 31.								
St. Lawrence Flour Mills:								
Pf. 7% cum., par $100	575,000	*20.00	23.01	7.00	125	110	110	6.4
Common, n.p.v.	36,000 sh.	2.08	2.55	1+.50†	30	17	21½	6.9
*Years ended Aug. 31, 1941 and 1940. †Extra div. paid May 1, 1941.								
Western Canada Flour Mills:								
Pf. cum. red., par $100	2,413,000	*8.96	*2.10	nil	47	14	24	...
Common, n.p.v.	135,000 sh.	0.44	d0.79	nil	5	¾	2	...
*Years ended July 31.								

Bonds	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	Times Int. Earned After Deprec. 1939
International Milling:					
10-yr. Secured Note	2.7	1949	†1,500,000	....	....
1st Mtge. ser. Ft. Garry Flour Mills	2½-3	1941-50	‡500,000	....	....
†Secured by like amount of 4% 1st mtge. bonds on Buffalo property which were reacquired. ‡Secured by mortgage on Saskatoon property.					
Maple Leaf Milling:					
1st Closed Mtge. S. F.	‡3-5½	*1958	4,505,000	7.08	3.96
*Extended from 1949. ‡3% to Dec. 1, 1943; 5½% thereafter.					

Maple Leaf Milling

Throughout the greater part of the summer months the mills of Maple Leaf Milling Co. have been working at capacity with the continual growth of British demands for Canadian flour a principal factor in the peak operation.

Company's annual report, due in the next week or so, is expected to show substantial gains in operating profits. Much of the balance not absorbed by taxes will, according to the agreements with bondholders and other creditors be applied to debt reduction.

In addition to the direct profits from flour milling, the demand for milled feed also increased sharply during the past year as a a result of the increased activity in livestock production, and the low level of hay and other crops in the early part of the year, caused by semi-drought conditions.

Directors—D. C. MacLachlan, pres. and gen. mgr.; A. C. Matthews, vice-pres.; E. Bristol, J. L. Henderson, C. E. Soward, K. F. Wadsworth, Toronto; G. W. Stepan, Montreal; E. E. Buckerfield, Vancouver; H. E. Sellers, Winnipeg.
Sec.—G. H. Hand.
Treas.—R. F. Houghton.

Ogilvie Flour

When the financial statement of Ogilvie Flour Mills Co. appears in the near future, it is expected to show results for the year ended August 31 closely comparable with those in the previous year.

While exports of flour in the first half of the year were down, from the corresponding period in 1940, monthly export figures from April took a sudden jump, bringing export business for the year above the level of the preceding 12 months period. Heightened export demand came entirely from British markets.

Ogilvie Flour Mills has built up a large investment portfolio over a period of years and income from this source is a stabilizing influence on earnings. Investments at the end of last year were shown at $2.4 millions.

The company has an excellent investment record, with dividends on preferred and common stock covered by wide margins. It has maintained dividend payments on the new common stock on a regular $1 a share annual basis. Preferred dividends of 7% have been paid regularly since 1902. Common disbursements have been made at varying rates since 1904.

Directors—Hon. C. A. Dunning, pres.; G. A. Morris, vice-pres. and gen. mgr.; R. R. Dobell, Sir Montagu Allan, Ross H. McMaster, E. B. Hosmer, Beaudry Leman, Morris W. Wilson, Montreal; F. K. Morrow, Toronto; S. T. Smith, Winnipeg.
Asst. gen. mgrs. — H. N. Davis, H. Groom.
Sec.—H. K. Hepburn.
Treas.—J. C. McLaughlin.

St. Lawrence Flour

St. Lawrence Flour Mills Co. showed a slight increase in operating profit in the year ended Aug. 31. Totalling $306,887 it compared with $293,577 in the previous year. This betterment, however, was not reflected in net profit because of increased reserve for income and "excess" profits taxes.

Net profit fell to $114,991 from $132,294 in the year ended Aug. 31, 1940. Earnings of $2.08 and $2.55, respectively, were reported on the common stock. Dividend rate on the common stock is being maintained at $1 a share annually, payable quarterly. Extras of 50 cents a share were paid Oct. 2, 1939, Aug. 1, 1940, and May 1, 1941.

The company's business is predominantly domestic and it is less influenced by the fluctuations of more volatile export trade than most milling organizations.

Directors—D. A. Campbell, pres.; T. Williamson, vice-pres. & man. dir.; C. E. Gravel, G. W. Grier, J. H. Labelle, J. J. McGill, C. H. Branchaud, Montreal.
Sec.—D. M. Wilson.
Treas.—J. P. Yeudall.

Western Canada Flour

Earnings of Western Canada Flour Mills Co. for the latest fiscal period available, that ended July 31, 1940, were the highest experienced by the company in ten years. The main factor in the improved position was the increased export demand for Canadian flour to the United Kingdom. The annual statement for the year just past is expected to show a continuation of last year's peak earnings. A further factor stimulating earnings is the modernization of the plant undertaken last year.

In the 1940 fiscal period the company disposed of 75 country elevators previously owned in western Canada and of its investment in the common stock of the Dominion Salt Co. Ltd. at Sarnia, Ont. For these assets the company received $945,438 in cash. Against these gains, advances of $217,137 were made to the wholly-owned subsidiary, The Purity Baking Co., to meet bank interest not earned in full, to pay for improvements to fixed assets and provide added working capital. A special advance of $550,000 was authorized to reduce The Purity Baking bank loan guaranteed by the parent company.

Directors—G. R. Cottrelle, pres., Toronto; R. H. B. Ker, vice-pres., Victoria, B.C.; J. J. Page, vice-pres.; A. J. Mitchell, J. H. Gundy, F. G. Lawson, I. C. Hall, C. F. B. Tippet, Toronto; J. A. Kilpatrick, Montreal; John Davidson, London, Eng.
Gen. mgr.—D. I. Walker.
Asst. gen. mgr. and compt.—A. R. Mackenzie.
Sec.—A. H. Denoon.
Treas.—J. S. Anderson.

Food Merchandising

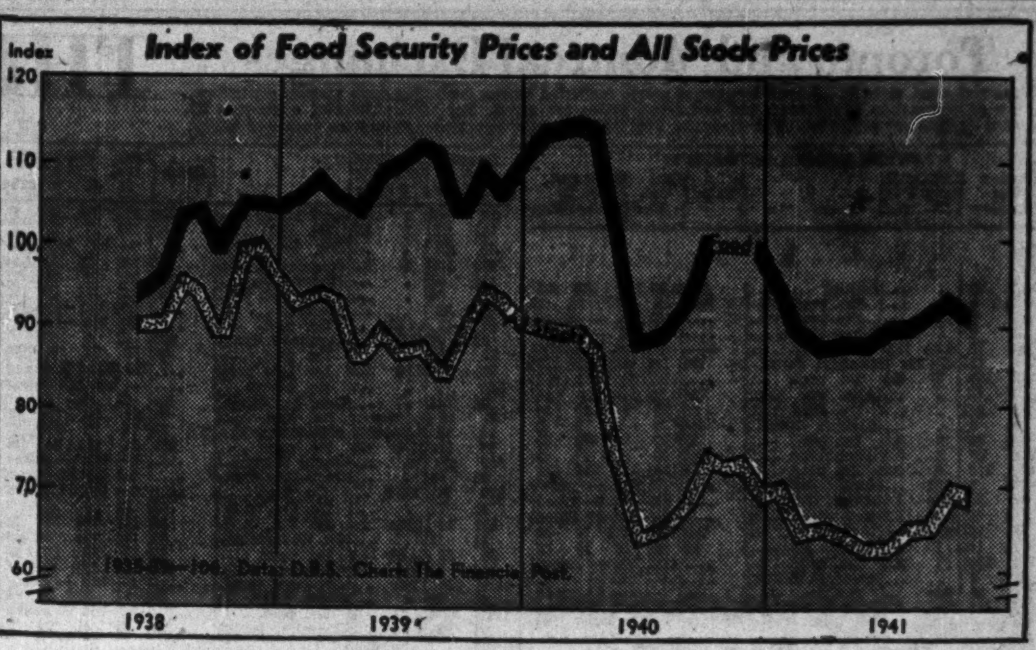
(Continued from page 18)

Western Grocers

Earnings of Western Grocers Ltd., and the company's three subsidiaries, are officially stated to be keeping up fairly well to the level of last year, and it is expected that if operations continue as they now are the regular dividends will be maintained.

Western Grocers is engaged in the wholesale grocery business in western Canada and has gradually extended its field of operations through acquisition of the three subsidiaries: Dominion Fruit Ltd., H. H. Cooper Ltd. and the W. H. Malkin Co., the last acquired in November, 1938. The subsidiaries operate as separate units and their accounts are not included with those of the parent company. The "Red and White" chain of approximately 700 independently owned retail grocery stores is affiliated with the company and retails its products.

Important factor in raising common per share earnings to $10.98 last year was the receipt of $98,197 in dividends mainly from subsidiaries. This compared with $11,602 in 1939. Operating profit in 1940 was somewhat below the 1939 level, but the larger dividends from the subsidiaries raised net profits from the $8.45 earned in 1939 on the common stock to $10.98.



In the unsettled years preceding the outbreak of war, many an investor increased the security of his holdings by adding food securities. Food stocks gained a sharp lead over the average of other stocks, have held, but not increased their lead in the past two years. High taxes, pegged or controlled retail prices against a rising cost background have tended to lower earnings. Increasing volume has been the only important offsetting factor. New restrictions on all industry are placing the foods back on a parity with other trades as regards government regulation.

Food Trade and Imports

Manufacturers and wholesale dealers in foodstuffs have been subject in the past year to almost every kind of war. Importers have been affected by shipping losses, shipping shortages, import and export bans. Manufacturers have felt the impact of rising commodity prices and higher labor costs. Except to the producer working on domestic materials solely, the current trends are full of unpredictable developments.

Blue Ribbon Corp.

A holding company engaged through its subsidiaries in the manufacture and distribution of baking powders, spices, jelly powders, peanut butter, extracts, cereals and chocolate, Blue Ribbon Corp. is also a leading importer of tea, coffee, cocoa, etc.

Dependent on supplies in many cases imported from the far east, the company is experiencing increasing difficulties in connection with supplies of certain raw materials. On the other hand inventories at the close of the last business year for which reports are available, June 30, 1941, were valued at $1.6 million compared with less than $1 million two years earlier.

Net profits remain well above preferred dividend requirements of $2.50 per annum, amounting to a total of $74,625. No dividends are yet being paid on the common, and if the company should decide to pay common dividends, the preferred stock will participate equally with the common on a share for share basis in any disbursement.

Directors — C. E. Spooner, chm. of board; J. Ball, pres.; A. C. Matthews, vice-pres.; J. F. Michie, F. T. Moore, W. Hood,
Sec.-treas.—J. R. Wright.
Asst. sec.—W. K. Fraser.

Canada Starch

Sales of Canada Starch Co. in the current year are ahead of those of the corresponding period of last year. Wartime conditions, however, have boosted material and labor costs sharply.

In 1940 the company reported net profit of $349,833, compared with $346,564 in the previous year and $233,568 in 1938. The common shares earned $2.28 in 1940, and $2.22 in 1939.

The company's financial position is strong. At the end of 1940 working capital amounted to $1.6 million, virtually the same as in the preceding year.

Directors—G. F. Benson, chm., Montreal; Major G. F. Benson, Jr., pres., Montreal; Hugh MacKay, vice-pres.; J. H. Hunter, cons. eng.; B. S. R. Watson, sec-treas.; W. B. Blackader, E. B. Hosmer, Montreal; W. E. Dircks, W. L. Moran, New York.

Canada Vinegars

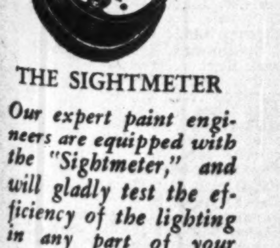
Manufacturing vinegar in Canada directly and through subsidiaries, Canada Vinegars Ltd. in 1939 after a period of experiment began production of Allen's Apple Juice. Main sources of income are dependent on the activity in the pickling business, and the fortunes of Canada Vinegars fluctuate directly with the

(Continued on page 21)

Cleanliness IS GOOD BUSINESS...

obtain it economically with

SAVE-LITE
INTERIOR WALL ENAMEL



THE SIGHTMETER

Our expert paint engineers are equipped with the "Sightmeter," and will gladly test the efficiency of the lighting in any part of your plant; without obligation, of course.

The hard, tile-like surface of a Save-Lite finish affords no foothold for dust or grime; it can be washed again and again without harm. And, unlike ordinary mill- white, Save-Lite doesn't yellow with the years; it remains brilliantly white, saving its cost many times over in lower lighting bills and improved production.

For Save-Lite has an amazingly high reflection value; its intense whiteness reflects over 89% of the light that falls on it, without glaring highlights. When you remember that efficient interior illumination is nearly four-fifths reflected light, you will realize the economy of a Save-Lite finish on walls, ceilings and other flat surfaces.

Why not consult our Advisory Service on all questions of industrial finishes? In doing so, you need feel under no obligation whatsoever.

COVER THE EARTH

SHERWIN-WILLIAMS PAINTS

THE SHERWIN-WILLIAMS CO.
of Canada, Limited

HALIFAX MONTREAL TORONTO WINNIPEG VANCOUVER

STAMINA
for Victory

ROYAL ACADIA SUGAR

Lantic Sugar

United in research, modern facilities, experienced personnel and strategic location for the economical manufacture and distribution of sugar and sugar products of unvarying high quality.

Thus meeting the nation's consumer, manufacturing and armed forces' needs for this indispensable product of health-giving energy in these strenuous times.

WORK, SAVE, LEND FOR FREEDOM

ATLANTIC-ACADIA
SUGAR SALES COMPANY
LIMITED

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING OCTOBER 20

Range 1941 High	Low	Div. Oct18 R'te $	Y'ld %		Sales	Last Oct. 13	Week end. Oct. 20 H	L	Cl'se
				A					
1.15	.50	.	...	Abitibi	880	1.00	1.00	.75	.95
9¼	4	.	...	Do. pref. 6%	2066	8	7½	7¼	7¼
15	8	.	...	Do. pref. 7%	....	(10½ bid — asked)			
3	1	.	...	Acme Glove	....	(2 bid — asked)			
60	50	6.50	11.8	Do. pref.	——	(55 bid 60 asked)			
14	11½	80+20c	7½	Agnew Surp.	65	13½	13½	13½	13½
108	105	7	6.6	Do. pref.	....	(107 bid — asked)			
1.50	.75	.	...	Alta. Pac. Gr.	50	1.10	1.10	1.10	1.10
33	24½	.	...	Do. pref.	60	33	31	30	30
10¼	7	.	...	Algoma Steel	448	9	9½	9	9
97½	84½	5	5.6	Do. pref.	30	89	89	89	89
115	95	8	8.4	Aluminium	287	98	96½	95	95
120	115	6	5.2	Do. pref.	3	116½	116	116	116
7⅞	5½	25c	...	Amal. Electric.	....	(7½ bid — asked)			
37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
46½	44	2.75	5.9	Ang. Can. T. p	....	(— bid 47 asked)			
19½	14⅞	60+60c	6½	Asbestos	245	18	18½	18	18
17½	14¼	1	6.2	Assoc. Brew.	30	16½	16	16	16
111	108½	7	6.3	Do. pref.	....	(111 bid — asked)			
•2	2	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
‡24	24	96c	..	Do. pref.	....	(— bid 24 asked)			
§103	101	5.50	5.3	Ault & Wiborg.	....	(102 bid — asked)			
				B					
147	140	8	5.6	Bk. Can. Nat.	3	143	143	143	143
195	171	8	4.3	Bk. Montreal	121	185	186	185	186
285	268	12	4.3	Bk. N. Scotia	19	274	275	270	272
255	240	10	4	Bk. Toronto	15	255	250	246	247½
8¼	8¼	.	...	Barber Ellis	....	(8½ bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.35	.	...	Barker's Bread.	100	.35	.35	.35	.35
22	16	.	...	Do. pref.	....	(— bid 15½ asked)			
14	10	1+25c	9.4	Bathurst Pr.	428	13½	13½	13½	13½
3	1	.	...	Do. (B)	35	2½	2½	2½	2½
4	2	.	...	Beath & Sons.	....	(4 bid 5 asked)			
8	4½	.	...	Beatty Bros.	35	7½	7½	7½	7½
102½	92	6	6.5	Do. pref.	....	(99 bid 101 asked)			
90	88	7	7.8	Do. 2nd pref.	....	(83 bid — asked)			
11	6½	.	...	Beauharnois	284	9⅜	9⅜	9½	9⅜
80	80	4	5	Belding Cort.	....	(80 bid 86 asked)			
128	124	7	5.2	Do. pref.	....	(125 bid — asked)			
160½	137	8	5.3	Bell Telephone	630	152¼	153½	149	150½
6½	5	30c	5	Bertram & Sons	....	(6 bid 6½ asked)			
8⅜	7	60c	7.5	Biltmore Hats.	165	8	7½	7½	7½
6	5	.	...	Blue Ribbon	....	(— bid 4½ asked)			
37½	30	2.50	8.1	Do. pref.	15	31	31	31	31
10	9½	60c	6.3	Blue Top Br. A	65	10	9½	9½	9½
7	7	.	...	Do. (B)	....	(8 bid — asked)			
22	19	1.30	6.5	Brant. Cord. pf.	....	(20¼ bid 21½ asked)			
8½	5	40c	...	Brazilian Tr.	1953	8	8	7½	7⅞
5½	2⅞	50+10c.	..	Brew. & Distil.	249	4½	4⅞	4⅜	4⅞
6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
90	90	6	6.7	Do. pref.	....	(91 bid — asked)			
18⅞	15	1	5.8	Brit. Amer. Oil	773	17½	17½	17	17½
13	9½	.	...	B. C. Packers.	1	12½	11½	11½	11½
26½	22	2	8.5	B. C. Power A.	35	24½	23½	23½	23½
2	1	.	...	Do. (B)	....	(1½ bid 3½ asked)			
6½	4½	.	...	Bruck S. Mills.	60	5	4½	4½	4½
15½	11½	70+10c	6	Building Prod.	137	13⅞	13½	11½	13½
10⅜	7⅞	60c	7.7	Burlington St'l	50	8½	7⅞	7⅞	7⅞
				C					
§70	70	.	...	Calgary Power.	....	(— bid — asked)			
103	98½	6	5.9	Do. pref.	20	100⅞	101	101	101
3½	1½	.	...	Canada Bread.	....	(3 bid 3½ asked)			
104	95	6	5.9	Do. pref.	5	101½	101⅞	101⅞	101⅞
46	35	2.50	5.6	Do. pref. B.	20	45	45	45	45
5	3½	40c	8	Canada Bud	150	4½	5	4½	5
7	4	.	...	Canada Cement	375	4½	5½	4½	4½
101½	89½	5	4.9	Do. pref.	77	100½	100⅞	100½	100½
5⅞	5⅞	‡30c	...	Can. Cr. Stone.	....	(— bid 5 asked)			
106	102⅞	5	4.7	Canada Cycle p	10	105	106	106	106
27	20½	1.50	6.7	C. & D. Sugar.	723	22½	22⅞	22½	22½
19	15	1.50	8.8	Can. Forg. (A).	....	(16½ bid 18 asked)			
18	15½	‡1.50	..	Do. (B)	....	(16 bid — asked)			
50	35	7.50	...	Can. Iron	1	38	35	35	35
80	70	6	8.2	Do. pref.	....	(74 bid — asked)			
§390	390	20	...	Canada Life	....	(— bid — asked)			
39	32	2+50c	6.6	Can. Malting	19	37½	38	38	38
11	5	90c	...	Can. Nor. Pr.	65	5½	5⅞	5½	5½
99	84	7	8.2	Do. pref.	....	(— bid 90 asked)			
92	74	4	4.3	Can. Packers.	495	88	92	88	92
136	120	8	6.4	Can. Perman.	24	125	125	124½	124½
9	8	50c	...	Can. Starch	....	(8 bid — asked)			
108	108	7	6.4	Do. pref.	....	(108 bid — asked)			
7	2½	.	...	Can. Steamsh's.	423	6½	6	5½	5⅞
28½	16	2.50	9.2	Do. pref.	897	25⅞	27	26	27
8	6½	40c	5	Can. Vinegars.	....	(7⅞ bid — asked)			
61	50	4	6.9	Can. W. Cable	45	54½	57½	57	57½
23	17½	1.50	7.3	Do. (B)	191	21	20½	19	20½
107	106	6.50	6.2	Do. pref.	....	(107 bid — asked)			
1.00	.50	.	...	Can. Bakeries.	6	1.00	1.00	1.00	1.00
50	20	‡4.50	...	Do. pref.	83	41½	50	40	50
163	143	8	5.3	Can. Bk. Com.	79	149	150	149	150
1.60	.60	.	...	Can. Breweries	13	1.25	1.00	1.00	1.00
27½	20	3	11.2	Do. pref.	140	26½	26⅞	26½	26½
36	31	1.50+50c	6	Can. Bronze	....	(31 bid — asked)			
106	103	5	4.8	Do. pref.	....	(105 bid — asked)			
7½	5	50c	7.4	Can. Canners.	100	6½	6⅞	6⅞	6⅞
22	18	1+20c■	6	Do. 1st pfd.	95	21½	21½	21½	21½
10⅞	8	60+20c■	8	Do. 2nd pfd.	260	10¼	10½	10	10
10¼	4⅞	.	...	Can. Car & F'y	970	6½	6½	5⅞	6
27½	19	‡1.32	..	Do. pref.	195	23	23	22	22
29	18⅞	1+50c	5.8	Can. Celanese.	191	26⅞	26½	25⅞	26½
126	110	7+60c■	..	Do. pref.	85	123	124	123	124
23	21	1	4.3	Do. Rights	40	21	23	23	23
19	15	2	11.4	Can. Convert.	15	17½	17½	17½	17½
106⅞	90	4+2	6	Can. Cottons	....	(96 bid — asked)			
118½	105	6	5.2	Do. pref.	15	115	115	115	115
22	14	.	...	Can. Dredge	75	15½	15	15	15
100	99½	6	6	Can. Fairb. pf.	25	100	100	100	100
15	9	1.90	12.3	Can. For. Inv.	5	14½	15	15	15
105	104	8	7.6	Do. pref.	....	(105 bid — asked)			
220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
8½	7	50c	6.2	Can. G. Inv.	....	(7½ bid 8½ asked)			
4	1½	10c	...	Can. Ind. Alc.	690	3	3	2⅞	2⅞
3½	1⅞	10c	...	Do. (B)	....	(2½ bid 3½ asked)			
208	150	‡4.75	...	Can. Indust. B.	30	180	179	172	172
176	158	7	4.2	Do. pref.	6	170	165	165	165
.30	.25	.	...	Can. Int. I. Tr.	....	(.25 bid .50 asked)			
50	41	2	4.4	Do. pref.	....	(40 bid 50 asked)			
15	12	1	6.7	Can. Lt. & Pr.	25	15	14	14	14
9	5	.	...	Can. Locomo.	....	(7½ bid 8 asked)			
.95	.60	4c	...	Can. Marconi.	45	.85	.70	.70	.70
17	12	50+50c	8	Can. Oil	....	(12½ bid — asked)			
123	118	8	6.5	Do. pref.	16	122	123	123	123
7½	4½	.	...	Can. Pacific	3922	6½	6½	5⅞	6½
.60	.10	.	...	C. Pr. & Pa. In.	....	(.30 bid .50 asked)			
3	1⅞	.	...	Do. pref.	50	2	2	2	2
5	2	.	...	Can. Vickers	50	4	3⅞	3⅞	3⅞
26	9½	.	...	Do. pref.	....	(— bid 24 asked)			
9	8½	1	...	C. Wallpaper A.	....	(8½ bid 9 asked)			
10	8	1	...	Do. (B)	10	8½	8½	8	8
45	36	2	5.2	Can. West'ho'se	....	(38 bid — asked)			
21	18	1.50+25c▲	..	Can. Wire Box	120	20½	20½	20	20½
1.30	.75	.	...	Capital Estates.	293	1.15	1.16	1.15	1.16
119½	117½	5	4.2	Carnation, pfd.	90	118½	118½	118½	118½
9½	7	50c	...	Catelli Food	....	(7 bid 9 asked)			
10	8	75c	8.3	Do. pref.	....	(10 bid 12 asked)			
2.00	1.70	.	...	Celtic Knit	....	(1.60 bid — asked)			
155	145	8	5.5	Cent. Can. L'n.	....	(145 bid 150 asked)			
92	82	4	4.9	Chart. Trust	....	(— bid 82 asked)			
3⅞	3½	.	...	Ch. Gai Wines.	....	(3½ bid 4 asked)			
.32	.10	.	...	Chem. Research	1600	.15	.17	.17	.17
.40	.25	.	...	City Gas & El.	25	.30	.25	.25	.25
.10	.03	.	...	Claude Neon	....	(.05 bid .10 asked)			
1.50	1.20	12c	...	Coast Brew	700	1.35	1.32	1.32	1.32
6⅞	3⅞	.	...	Cockshutt Plow	295	5½	5½	4⅞	5
2.37	1.50	15c	...	Comm. Alcohol	650	2.25	2.25	2.25	2.25
6	5	40c	7.6	Do. pref.	150	5⅞	5½	5½	5½
4½	4	‡40c	..	Conduits Nat.	....	(3 bid 3½ asked)			
14	8	60c	6	Cons. Bakeries.	130	10	10½	10	10
.03	.02	.	...	Cons. Div. Sec.	84	.02	.02	.02	.02
8	7	75c	...	Do. pref.	18	7½	7½	7	7½
4½	2½	.	...	Cons. Paper	2317	3½	3½	3	3½
4	3	.	...	Cons. Press	....	(3 bid 4½ asked)			
81	78½	‡3.50	..	Cons. Sand. pf.	....	(80 bid — asked)			
41⅞	31½	1+1.50	6.6	Cons. Smelt.	3188	39½	40	38	38
145	111	8	6.2	Consumers' Gas	86	130	131	127	128
50	30	5.25	...	Corr. P. Box, p	....	(50 bid 67½ asked)			
25	21½	1.20+15c	5½	Cosmos Imp.	....	(21½ bid 24 asked)			
31	24½	2	7.2	Crown Cork	150	28	28	27⅞	28
1½	1½	.	...	Crown Dom. Oil	....	(1½ bid 1½ asked)			
35	28	3	9.1	Crow's N. Coal	45	34	33	33	33
1.05	.50	.	...	Cub Aircraft	....	(.70 bid .80 asked)			
				D, E					
11	9½	1	...	David & Fre. A	....	(10 bid — asked)			
1.60	1.00	.	...	Do. (B)	....	1.25 bid 2.00 asked			
8½	7	.	...	de Havilland	....	(8½ bid 10 asked)			
75	75	‡7	...	Do. pref.	....	(70 bid 80 asked)			
1.50	.80	.	...	Disher Steel	....	(.95 bid 1.10 asked)			
10	8	‡1.50	..	Do. pref.	....	(9½ bid 12 asked)			
28½	18½	2.22	8.9	Distill-Seagram	527	22⅞	24	21½	23
98	84	5	5.4	Do. pref.	10	92½	93	93	93
30	30	2.50	8.3	Dom. Ang. Inv.	....	(30 bid 33 asked)			
75	70	5	6.7	Do. pref.	....	(72 bid 84 asked)			
200	184	10	5.2	Dom. Bank	42	189	189	188	188
27½	21	1.20	5	Dom. Bridge	412	24	24½	23½	23½
21	15½	.	...	Dom. Coal, pf.	135	16⅞	16½	16	16½
28	15	.	...	Dom. Engineer.	30	23	23	20½	20½
24	17	1	5.6	Dom. Foundries	75	17⅞	17⅞	17½	17½
107	104	6	5.8	Do. pref.	5	104	107	107	107
126	108	5	4.6	Dom. Glass	20	108	110	108	109
155	140	7	4.8	Do. pref.	....	(148½ bid — asked)			
29½	27	1.20+40c	6	Dom. Oilcloth	100	27	27	27	27
.70	.45	.	...	Dom. Scot. Inv.	....	(.65 bid .80 asked)			
27	22½	‡2.05	...	Do. pref.	25	26⅞	24½	24½	24½
1⅞	1½	.	...	Dom. Square	....	(1½ bid 1⅞ asked)			
9⅞	5½	.	...	Dom. St. & CB	685	7½	7½	7	7½
6	3½	.	...	Dom. Stores	330	6	6	5⅞	5⅞
6	3⅞	.	...	Dom. Tar & Ch.	225	5	4⅞	4⅞	4⅞
89	82⅞	5.50	6.4	Do. pref.	....	(87⅞ bid 90 asked)			
83	69	5	6.8	Dom. Textile.	117	71	72	72	72
155	140	7	4.6	Do. pref.	....	(151 bid — asked)			
1.75	.50	.	...	Dom. Woollens.	153	1.00	1.05	1.00	1.05
9½	6	60c	...	Do. pref.	15	7	8	7½	8
5⅞	2½	10c	...	Donnacona P.A.	253	4½	4½	4½	4½
5⅞	2½	10c	...	Do. (B)	91	4½	4½	4	4
7	4	.	...	Dryden Paper	110	6	5½	5½	5½
.50	.50	.	...	East Koot. Pr.	....	(— bid — asked)			
10	6	.	...	Do. pref.	....	(6 bid — asked)			
.75	.25	.	...	East Dairies	....	(.65 bid .75 asked)			
10½	5½	.	...	Do. pref.	15	9	7½	7½	7½
13½	10	1	7.5	East Steel	....	(11 bid 12 asked)			
4½	4	.	...	East Theat.	....	(6 bid 9 asked)			
3	2	.	...	Easy Washing.	15	3	2½	2½	2½
23	21½	.2	...	Economic Inv.	....	(23 bid 27 asked)			
8	5	‡60c	...	Electrolux	....	(4⅞ bid 6 asked)			
3⅞	2	.	...	Enam. & Heat.	115	3	3	2⅞	3
29	23	2.50	8.6	English Electric	70	29	29	29	29
5⅞	3	.	...	Do. (B)	25	4	3½	3½	3½
5⅞	5	15c	3	Equitable Life.	....	(5½ bid 6 asked)			
				F, G					
3.00	1.30	.	...	Fairchild Air.	75	2.00	2.12	2.00	2.00
20	16	1	5.9	Fam. Players	....	(— bid 40 asked)			
28	20⅞	1.50+25c	8	Fanny Farmer	1612	20⅞	21	20⅞	21
6	3½	.	...	Fleet Aircraft.	370	4	4	3½	3⅞
§1.50	.75	.	...	Fleury Bissell	....	(.20 bid .50 asked)			
20	10	.	...	Do. pref.	....	(9 bid 12 asked)			
18	14¼	1	5.6	Ford Motor A.	2835	17½	17⅞	16⅞	17
18¼	15	1	5.7	Do. (B)	60	17½	17	17	17
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16⅞	10⅞	1	6.9	Foundation Co.	195	14½	14½	14½	14½
11½	4½	.	...	Fraser Cos.	345	11	11	11	11
13	5½	.	...	Do. Vot. Tr.	925	11½	11½	10½	11½
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
47	41	‡4.50	...	Do. pref.	....	(50 bid — asked)			
9⅞	5½	‡55c	..	Gatineau Pwr.	675	6½	6	5½	5½
90	70	5	7	Do. pref.	38	70	72	71	72
95½	75	5.50	6.8	Do. 5½% pref.	....	(78 bid 79½ asked)			
1.25	.15	.	...	Do. Rights	....	(— bid 1.00 asked)			
7½	4½	.	...	Gen. St. Wares.	400	6½	6½	5½	5⅞
94	86	7+27c▲	..	Do. pref.	60	92	94	93	93
80	66	2.50+1.50	5	Goodyear T.	55	78	77	75½	77
56	52⅞	2.50	4.6	Do. pref.	172	54	54½	54	54½
•50	50	‡5	...	Gould Pumps	....	(— bid — asked)			
4½	2½	.	...	Gt. Lakes Pap.	....	(1½ bid 3½ asked)			
§29	18½	‡75c	...	Do. pref.	....	(— bid 17 asked)			
3⅞	1⅞	.	...	Do. Vot. tr. c.	40	3½	3	3	3
19⅞	12	‡75c	..	Do. Vot. tr. p.	20	16⅞	16⅞	16⅞	16⅞
5½	1½	.	...	Gt. W. Saddlery	30	4½	4½	4½	4½
30	25	‡4.50	...	Do. pref.	15	28	26	26	26
11½	9½	60c	5.7	Greening Wire.	655	9½	10½	10	10
§1.25	1.25	10c	...	Growers' Wine.	....	(— bid — asked)			
4½	2½	.	...	Gurd, Chas.	50	3½	3½	3½	3½
§107½	106½	.	...	Do. pref.	....	(— bid 90 asked)			
4½	2	.	...	Gypsum, Lime.	225	3½	3½	3½	3½
				H, I					
17	16½	1	...	Halifax Fire	....	(— bid — asked)			
5½	2½	.	...	Ham. Bridge	525	3½	3½	3	3
36	34½	2+2▲	5½	Ham. Cot., pf.	....	(35 bid — asked)			
1.50	.65	.	...	Ham. U. Theat.	....	1.00 bid 1.45 asked			
75	65	5	6.7	Do. pref.	....	(70 bid — asked)			
3⅞	2½	20+10c	..	Harding Carpet	110	3½	3⅞	3⅞	3⅞
.25	.25	.	...	Hillcrest Coll.	....	(.25 bid 1.00 asked)			
4	2	.	...	Do. pref.	....	(2½ bid — asked)			
11	8½	50c	4.8	Hinde & Dauch	25	10½	10½	10½	10½
•20	20	.	...	Holt Renfrew	....	(— bid — asked)			
35	35	.	...	Do. pref.	....	(40 bid — asked)			
17½	14	2	13.3	Honey Dew	....	(15 bid 17½ asked)			
16	10½	.	...	H. Smith Pap.	1895	14½	15⅞	14½	15⅞
101	94	6	6	Do. pref.	71	100	100½	98½	98½
18	11	1	9.1	Humberstone S.	50	11	11	11	11
8½	3½	.	...	Hunts (A)	30	7½	6	5	5
8½	2	.	...	Do. (B)	....	(5 bid 7 asked)			
57	52	4	7	Huron & E. Mt.	6	55	57	57	57
9½	8	.	...	Do. 20% pd.	....	(8½ bid — asked)			
.80	.60	.	...	Hydro Electric.	....	(.60 bid 1.50 asked)			
205	192	10	5	Imperial Bank.	38	199	198½	194½	195
10½	8⅞	50c	5.3	Imperial Oil	6020	9½	9⅞	9½	9½
14	11	40+22½c	5	Imperial Tob.	1330	12½	12⅞	12½	12½
8	5	6%	4	Do. pref.	....	(7½ bid 8 asked)			
16	10	‡75c	...	Indust. Accept.	60	10	10	10	10
25	23	3	...	Inter-City Bak.	....	(23 bid 33 asked)			
50	39	‡5+1	...	Inter'c Coal	....	(42 Aug. 5)			
§120	120	8	6.7	Do. pref.	....	(— bid — asked)			
16⅞	12⅞	1.50	11.3	Inter. Bronze.	120	13	13½	13	13½
25	20	1.50	6.7	Do. pref.	....	(— bid 26 asked)			
.25	.25	3c	...	Int. Coal & C.	1500	.25	.25	.25	.25
10½	6	.	...	Int. Metal Ind.	60	9	8½	8½	8½
105	93	6+6▲	6.3	Do. pref.	10	100	95½	95½	95½
100	93	6+6▲	6	Do. pref. A.	....	(92½ bid 98½ asked)			
115½	109½	5	4.5	Int. Mill., pf.	95	110½	111½	111	111
38½	29½	2	5.8	Int. Nickel	3859	34½	35	33½	34½
156	150	7	4.5	Do. pref.	....	(— bid — asked)			
2½	2	.	...	Int. Paints	....	(2 bid 2½ asked)			
15	15	1+25c▲	...	Do. pref.	....	(13½ bid 20 asked)			
16	13	1	6.8	Int. Pete.	1072	15	15½	14⅞	14⅞
3½	2½	.	...	Int. Power	....	(2½ bid — asked)			
89	79⅞	7	8.3	Do. pref.	60	84	84½	84	84½
•11⅞	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3⅞	.	...	Do. (B)	....	(— bid 4 asked)			
9½	5	.	...	Int. Util. (A)	....	(5 bid 9 asked)			
.25	.10	.	...	Do. (B)	400	.10	.15	.15	.15
				J, K, L					
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13 asked)			
§135	128	7	5.5	Do. pref.	....	(— bid 120 asked)			
11	8	1	10.5	Kelvinator	5	9½	9½	9½	9½
15	5	.	...	L. St. John Pr.	....	(— bid 13 asked)			
1.25	.40	.	...	Lake Sulphite.	....	(95 bid 100 asked)			
18½	11½	‡70c	..	Lake of Woods.	85	16½	16⅞	16½	16½
117	110	7	6	Do. pref.	....	(120 bid — asked)			
53	43	4	8.4	Landed Bank	....	(50 bid 54 asked)			
12	10	70+12½c	..	Lang, J. A.	....	(— bid 13 asked)			
•3½	2½	.	...	Langley's	....	(— bid 1 asked)			
25	15	2	...	Do. pref.	....	(24 bid 25 asked)			
10⅞	9	80c	8	Laura Secord.	370	10½	10½	10	10
12	6½	.	...	Legare, pref.	160	9	9	9	9
3½	2½	‡15c	...	Levy Bros.	....	(2½ bid 2½ asked)			
6½	4½	.	...	Lindsay, C. W.	....	(4½ bid 5⅞ asked)			
53	50	.	...	Do. pref.	....	(50 bid — asked)			
28	24	1+25c	5	Loblaw (A)	1082	25½	25½	24⅞	25
26	22	1+25c	5.2	Do. (B)	670	24	24½	24	24½
				M					
1.00	1.00	.	...	Mackenzie Air.	....	(— bid — asked)			
2	2	.	...	Mackin. Steel	....	(— bid 4 asked)			
60	50	‡3.75	...	Do. pref.	....	(50 bid 65 asked)			
15⅞	11	.	...	Maclaren Pr.	....	(15 bid 16 asked)			
8½	7	.	...	M. L. Gardens.	2	8½	8½	8½	8½
7½	5	40c	6.2	Do. pref.	10	6½	6½	6½	6½
4½	1⅞	.	...	Maple Leaf M.	550	3	3½	3	3
6⅞	2½	.	...	Do. pref.	300	5⅞	5½	5½	5½
16½	15	‡55+10c.	..	Maritime Tele.	....	(16½ bid — asked)			
16⅞	16	70c	4.2	Do. pref.	....	(16½ bid — asked)			
16	14⅞	.	...	Marcus Loew's.	....	(17½ bid — asked)			
•100	100	7+5.25▲	..	Do. pref.	....	(— bid — asked)			
3½	2	.	...	Massey-Harris	910	2	2½	2	2½
60½	25	.	...	Do. pref.	550	53	53	51	53
5	3½	.	...	Do. com. new	1880	3⅞	3⅞	3½	3⅞
12½	11½	.	...	Do. pfd. new.	1935	11⅞	12	11½	11½
5⅞	3	.	...	McColl Fron.	10	4½	4	4	4
98	85	6	6.8	Do. pref.	20	89	88	88	88
2.00	.75	.	...	Melchers	....	1.00 bid 2.00 asked			
5⅞	5	60c	...	Do. pref.	50	5⅞	5⅞	5⅞	5⅞
•1½	1½	.	...	Mercantile Tran	....	(— bid — asked)			
•5	5	6%	...	Do. pref.	....	(— bid — asked)			
7½	3½	.	...	Mercury Mills.	5	3½	3½	3½	3½
50	45	2.50	5	Mitchell, J. S.	....	(— bid 50 asked)			
12⅞	7½	‡50c	...	Mitchell, Robt.	80	12	11½	11	11
17½	15	80+40c	7	Mod. Contain.	....	(15⅞ bid 16⅞ asked)			
98	98	5.50	5.6	Do. pref.	15	98	98	98	98
2	1½	.	...	Monarch Knit	....	(— bid — asked)			
75	50	7	...	Do. pref.	....	(55 bid 60 asked)			
65	55	4	6.2	Montreal Cot.	....	(55 bid — asked)			
118	110	7	6.3	Do. pref.	....	(113 bid — asked)			
1.00	.25	.	...	Mont. Is. Pr.	....	(.25 bid 2.25 asked)			
29½	20½	1.50	6.5	Mont. L. & Pr.	1140	23	23½	22⅞	23½
50½	47½	.	...	Do. Notes	11	49½	49½	49½	49½
15	15	1.25	8.3	Montreal Loan.	....	(14 bid — asked)			
.50	.20	.	...	Mtl. Refrig. & S	....	(.15 bid .50 asked)			
11½	9⅞	‡1.25	...	Do. pref.	....	(11½ bid — asked)			
30	25	°1.96	...	Montreal Tele.	....	(26 bid 28 asked)			
52	15	.	...	Montreal Trams	17	20	18	17½	18
47½	41	2.22+60c	6	Moore Corp.	579	44½	46	44	45½
188	176	7	3.8	Do. pref. (A)	....	(179 bid 186 asked)			
279	266	7	2.5	Do. pref. (B)	2	272	275	275	275
.05	.05	.	...	Muirheads	....	(.05 bid .25 asked)			
§1	1	.	...	Do. pref.	....	(— bid — asked)			
				N, O					
28	19	2	7.5	Nat. Breweries.	294	26	27	26½	26½
40	35	1.75	4.4	Do. pref.	57	39	40	39½	40
5½	3⅞	.	...	Nat. Grocers	140	4½	4⅞	4½	4⅞
26½	24½	1.50	5.7	Do. pref.	....	(26 bid 26½ asked)			
8½	7	.	...	N. Sew. Pipe A	....	(7⅞ bid 8⅞ asked)			
39	30⅞	2	6.1	Nat. Steel Car.	325	34	34	32⅞	33
150	140	8	5.7	National Tr.	....	(130 bid 140 asked)			
§9½	9½	‡30c	...	Neon Prod.	....	(— bid — asked)			
25½	15	2	10.5	Niag. W. Weav.	....	(18 bid 19 asked)			
3⅞	2	.	...	Noorduyn Av.	....	(2 bid 3½ asked)			
.90	.35	.	...	North Star Oil.	....	(.80 bid .80 asked)			
3⅞	2⅞	35c	10.8	Do. pref.	50	3½	3½	3½	3½
87	86	6	6.9	N. S. L. & Pr.	....	(88 bid — asked)			
107½	102	6	5.6	Do. pref.	10	104	107½	107½	107½
22½	18	1	4.6	Ogilvie Flour.	50	21⅞	21⅞	21½	21½
155	145	7	4.6	Do. pref.	12	152	152	150½	150½
113	105	5	4.7	Ontario Loan.	....	105 bid 113⅞ asked			
3	3	.	...	Ont. Silknit	....	(— bid 3 asked)			
45	35	‡2	...	Do. pref.	50	39	39	39	39
10	7	.	...	Do. Scripts	10	10	10	10	10
10	8½	‡75c	...	Ont. Steel	....	(— bid — asked)			
110	110	7	6.4	Do. pref.	....	(110 bid 120 asked)			
2.00	1.00	.	...	Orange Crush.	....	1.10 bid 1.20 asked			
6½	4½	70c	14	Do. pref.	....	(4 bid 5 asked)			
8½	5	40c	5.9	Ott. Car Air.	35	7	6⅞	6½	6⅞
16	12	1.20	10	Ottawa El. Rly.	....	(11 bid 15½ asked)			
11	5	60c	12	Ott. L. H. & Pr.	140	5	5	5	5
99	87	5	5.7	Do. pref.	....	(— bid 88 asked)			
				P, Q, R					
33	32	3c	..	Pacific Coyle	....	(32 bid — asked)			
106½	95½	5	4.8	Page Hersey	90	103	104	103½	104
4⅞	4⅞	.	...	Pantepec Oil	....	(4½ bid — asked)			
30½	25	2	6.6	Paton Mfg.	....	(25 bid 50 asked)			
115	115	7	6.1	Do. pref.	....	(112½ bid — asked)			
52	46	3	5.8	Penmans	....	(52 bid 54 asked)			
124	120	6	4.8	Do. pref.	....	(124 bid — asked)			
16½	14	1	7.2	Photo Eng.	10	14½	14	14	14
99	95½	7	7.2	Porto Rico Pr p	5	97½	98	98	98
6	2	30c	...	Power Corp.	265	4½	4	3⅞	3⅞
98	75	6	7.3	Do. pref.	5	83½	82	82	82
43	28	3	8.8	Do. 2nd pref.	10	34	34	34	34
9½	7	1	13.3	Pressed Metals.	100	7½	7½	7½	7½
12½	8⅞	.	...	Price Bros.	169	10⅞	10⅞	10½	10½
75	61	5.50	7.8	Do. pref.	5	71	70	70	70
7	5½	40c	6.7	Prov. Transport	100	6½	6	6	6
14½	9½	1	7.9	Quebec Power.	50	13½	13	12⅞	13
4	4	.	...	Que. Telephone.	....	(4 bid 4½ asked)			
27	24	2	7.7	Real Estate L'n	....	(27½ bid 30 asked)			
5	3	25c	...	Regent Knit	60	3½	3⅞	3½	3⅞
18	15½	1.60	9.7	Do. pref.	....	(— bid 17 asked)			
4½	2½	.	...	Reliance Grain.	....	(3 bid — asked)			
65	60	6.50	10	Do. pref.	....	(61 bid — asked)			
20	15½	2	11.8	River S. Mill	....	(16 bid 18 asked)			
10	9	60c	6.7	Rolland Pap.	10	10	9	9	9
95	89	6	6.4	Do. pref.	....	(— bid 93½ asked)			
167½	148	8	5.2	Royal Bank	94	155	156	153½	155
16½	14	80c	4.8	Russell Indust.	30	16½	16½	16½	16½
170	145	7	4.1	Do. pref.	100	165	170	170	170
				S					
107	103	5.50	5.2	Saguenay Pr. p.	....	(103 bid 105½ asked)			
34½	34½	‡75c	...	Sangamo	....	(24½ bid 33½ asked)			
9	6½	.	...	Sarnia Br. (A)	....	(6 bid 8 asked)			
1	⅞	.	...	Do. (B)	....	(1 bid 3 asked)			
17	12	90c	5.8	Shawinigan Pr.	1789	15½	15½	15½	15½
12⅞	8½	.	...	Sher. Wms.	25	12	12	12	12
115	108½	7+1.75▲	6	Do. pref.	35	115	115	114	115
7	3	40c	6.2	Silverwoods	3	6½	6½	6½	6½
6⅞	5½	40c	5.9	Do. pref.	....	(6⅞ bid 7 asked)			
7	5⅞	60c	8.6	Simon & Sons.	....	(7 bid — asked)			
106	105	7	6.7	Do. pref.	....	(— bid 105 asked)			
11	9	.	...	Simpson, A.	....	(9 bid 12½ asked)			
5	2	.	...	Do. (B)	....	(— bid 3 asked)			
100	91	6.50	6.7	Do. pref.	79	97	99½	96½	96½
135	132	6	4.4	Simpson, R., pf.	....	(132 bid 140 asked)			
11	8	80c	8	So. Can. Pr.	47	11	10½	10	10
106	97	6	6	Do. pref.	50	99½	100	99½	100
2⅞	1½	.	...	St. Law. Corp.	217	2	2	1½	1½
18	13	1	6.2	Do. (A)	420	16½	17	16	16
22	19	1+50c	6.9	St. Law. Flour	....	(20 bid — asked)			
112	110	7	6.4	Do. pref.	....	(111 bid — asked)			
43	31	2	5.1	St. Law. Pap. p	171	40	40	39	39½
12½	8	‡1.25	...	Stand. Chem.	....	(2 bid 3 asked)			
5	1	.	...	Stand. Clay	75	3½	3	2½	2½
.90	.50	.	...	St. Pav. & Mat.	....	(.50 bid .80 asked)			
5	2½	‡62½c	..	Do. pref.	....	(4½ bid 4⅞ asked)			
4	2½	10c	...	Stand. Radio	460	3½	3⅞	3½	3⅞
25	18	60+60c	5½	Stedman Bros.	15	21	21	21	21
70	59½	3	4.4	Steel of Can.	568	68	68⅞	67½	67½
76	64	3	4	Do. pref.	65	75	75	73½	73½
3½	2	.	...	Sterling Coal	....	(— bid 5 asked)			
.15	.15	.	...	Stop & Shop	....	(— bid .20 asked)			
15	10	80+50c■	..	Stuart, D. A. pf.	200	14½	15	15	15
§3½	2½	.	...	Supersilk, H. A.	....	(— bid 2½ asked)			
3	2½	.	...	Do. (B)	....	(— bid 3 asked)			
70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
30	19	1+25c	6.6	Sup. Pete. ord.	15	19	19	19	19
27	19½	1+25c	6.4	Do. com.	....	(19½ bid 32 asked)			
				T, U, V					
11½	9½	80c	7	Tamblyn	195	11½	11½	11½	11½
52⅞	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
§3	3	.	...	Thayers	....	(1½ bid 6 asked)			
§36	20	2.50	...	Do. pref.	....	(21 bid 35 asked)			
2	1	.	...	Thrift Stores	....	(1 bid 2½ asked)			
9	8	.	...	Do. pref.	....	(11 bid — asked)			
10	6	60c	6.3	Tip Top Tailors	....	(8½ bid 9½ asked)			
107	100	7	6.9	Do. pref.	....	(103 bid 110 asked)			
1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13	11	.	...	Do. pref.	....	(12 bid 15 asked)			
21½	19	1	5.2	Tor. Elevators.	20	19	19	19	19
51	42	2.62½	5.2	Do. pref.	50	50	50	50	50
80	63	4	5.3	Tor. Gen. Tr.	....	(72 bid 75 asked)			
82	69	5	6.9	Toronto Mtge.	....	(70 bid 85 asked)			
155	139	7	4.8	Tuckett Tob. p.	9	145	142	142	142
2.00	1.00	.	...	Twin City	100	2.00	1.50	1.50	1.50
26½	21½	.	...	Do. pref.	30	21½	26	26	26
14½	10⅞	80+20c	9	Union Gas	1463	11½	11½	11	11½
13½	12	80c	6.2	Un. Amuse. A.	4	12	13	13	13
13½	13	80c	5.9	Do. (B)	....	(— bid — asked)			
.85	.60	.	...	United Distill.	....	(— bid .75 asked)			
40½	30	3	7.8	United Fuel, pf.	95	38	38½	38	38
5⅞	2½	.	...	Do. (B) pref.	....	(3⅞ bid 4 asked)			
4½	1	.	...	United Secs.	....	(1½ bid 2⅞ asked)			
5½	2⅞	.	...	United Steel	992	4½	4½	3½	4½
4	3	.	...	Viau Bisc.	5	3½	3	3	3
60	50	5	10	Do. pref.	....	(50 bid — asked)			
				W, Y, Z					
38	23½	2	6.2	Wabasso Cot.	95	34	35	32½	32½
48½	36½	4	9.2	Walker-Good.	939	45	45½	43	43
20½	19	1	5.1	Do. pref.	441	19⅞	20	19½	19⅞
1.00	.50	‡5c	...	Walkerville Br.	50	1.00	1.00	1.00	1.00
§135	130	7	5.4	W. Koot. Pr. p.	....	(135 bid — asked)			
2.00	.75	.	...	West. C. Flour.	100	2.00	1.20	1.20	1.20
26	14	.	...	Do. pref.	....	(24 bid 24½ asked)			
60	42	3+1	7.8	West Grocers.	....	(50 bid — asked)			
115	107	7	6.3	Do. pref.	....	(110½ bid — asked)			
§15½	11⅞	50c	...	W'minster Pap.	....	(— bid — asked)			
12	9	80c	8	Weston Ltd.	330	10½	10½	10	10
98	90	5	5.4	Do. pref.	25	95	93½	93½	93½
18½	14⅞	1	6.1	Wilsils	80	16½	16½	16½	16½
1.20	.50	.	...	Winnipeg El. A	108	.90	1.00	.75	.75
1.40	.65	.	...	Do. (B)	10	1.05	.80	.75	.75
8	3⅞	.	...	Do. pref.	10	6	6	6	6
85	73½	7	8.3	Wood, A. & J. p	35	74	84½	84½	84½
55	45	.	...	Woods Mfg., pf.	....	(45 bid — asked)			
5½	4	40c	10	York Knitting.	....	(4½ bid 5 asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
13	8½	80c	6.7	Zellers	....	(11⅞ bid 13 asked)			
24½	23½	1.50	6.1	Do. pref.	....	(24½ bid — asked)			

Quotations: § 1940. • 1939. * 1938.
▲ On account of arrears. ↓ Paid in 1940.
■ Participating. ‡ Paid or payable in 1941 to date.
• Paid in 1941 after corporate income tax.

Mining Stocks

Week Ending October 20:

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
			A					
No	.24	.05	Aldermac	4,725	.18	.17½	.16	.16
1	.01½	.00½	Amm. Gold	1,000	.01	.01	.01	.01
No	3.15	1.90	Anglo-Huronian	......	(2.75 bid	3.00 asked)		
No	.30	.30	Argus Interests	......	(.10½ bid	.40 asked)		
No	.03	.01	Arno	......	(.... bid	.02 asked)		
1	.11	.03⅞	Arntfield	20,800	.08½	.08½	.07	.08
1	.06½	.03½	Ashley	......	(.04½ bid	.06 asked)		
1	.05	.02	Astoria Quebec	......	(.02 bid	.05 asked)		
1	2.45	1.50	Aunor Gold	2,983	1.70	1.70	1.65	1.70
			B					
1	.16½	.05	Bagamac	350	.08	.10	.08	.08
1	.08	.04	Bankfield	2,033	.05	.05½	.04	.05½
No	.14	.05	Base Metals	900	.10	.10½	.10½	.10½
1	.15	.06	Bear Exploration	4,500	.08⅞	.08	.06½	.07½
1	1.24	1.00	Beattie Gold	840	1.10	1.14	1.06	1.13
1	.09	.04½	Beaufor	5,000	.07	.06	.06	.06
1	1.00	.90	Berens River	......	(.... bid	1.00 asked)		
1	.15	.07	Bidgood Kirk.	11,300	.11½	.12	.10½	.11½
1	.11	.05	Bobjo	3,000	.06½	.06½	.06	.06
1	.59	.35	Bonetal Gold	1,100	.40	.38	.36	.37
1	.03	.00½	Bouscadillac G.M.	......	(.02 bid	.... asked)		
No	11.63	9.50	Bralorne	375	11.12	11.12	10.75	10.75
1	.08	.02½	Brasil Gold	......	(.... bid	.02½ asked)		
1	.01½	.00⅞	Brett Trethewey	......	(.00½ bid	.00½ asked)		
1	1.10	.68	Broulan Porc.	15,325	.72	.71	.68	.69
1	5.95	3.00	Buffalo Ankerite	......	(3.90 bid	4.15 asked)		
No	.06	.02½	Buffalo Can.	1,000	.02½	.02½	.02½	.02½
5	19.00	14.25	Bulolo Gold	10	18.50	18.50	18.50	18.50
No	.03	.01½	Bunker Hill	......	(.01½ bid	.02½ asked)		
			C					
1	.10	.10	Camp Bird	......	(.09 bid	.12 asked)		
No	.63	.47	Can. Malartic	1,900	.56	.55	.55	.55
1	.00½	.00½	Capital Rouyn	......	(.... bid	.01 asked)		
1	2.91	2.10	Cariboo Gold	......	(2.10 bid	2.20 asked)		
1	.02½	.01	Cartier Malartic	......	(.00½ bid	.01½ asked)		
1	.60	.40	Castle Trethewey	3,325	.55	.55	.55	.55
1	.01½	.01½	Cen. Manitoba	......	(.... bid	.... asked)		
1	.08	.05	Cen. Cadillac	1,500	.06	.06	.06	.06
1	1.95	1.52	Cen. Patricia	4,750	1.60	1.61	1.52	1.54
1	.21	.09	Cen. Porcupine	2,600	.11½	.11	.10½	.10½
1	.18½	.05	Century Mining	......	(.... bid	.15 asked)		
1	1.87	1.10	Chesterville	19,212	1.65	1.72	1.55	1.65
No	2.40	2.10	Chromium	150	2.20	2.30	2.25	2.30
5	1.35	.50	Coast Copper	300	1.15	1.00	1.00	1.00
1	1.04	.62	Cochenour Willans	2,000	.65	.65	.63	.65
5	1.55	1.20	Coniagas	100	1.20	1.27	1.27	1.27
No	1.55	1.13	Coniaurum	550	1.25	1.20	1.15	1.15
5	41.37	31.50	Cons. Smelters	3,188	39.25	40.00	38.00	38.00
			D, E					
1	1.24	.70	Delnite	......	(.66 bid	.69 asked)		
1	.07½	.02½	Denison Nickel	500	.05½	.05½	.05½	.05½
No	25.00	20.00	Dome Mines	2,735	21.00	21.25	20.00	20.25
1	.16⅞	.08½	Duquesne	50,400	.13	.13	.11	.11½
1	2.95	2.05	East Malartic	11,190	2.28	2.29	2.17	2.25
1	.52	.30	Eldorado	3,600	.40	.41	.36	.38
			F, G					
No	3.90	1.92	Falconbridge	130	3.35	3.35	3.35	3.35
1	.06	.02½	Federal	2,500	.03½	.03½	.03½	.03½
1	.06½	.01½	Fernland	1,500	.02	.02½	.02½	.02½
No	.63	.33	Francoeur Gold	8,800	.46	.46	.42	.43
1	.08½	.03	Gillies Lake	1,000	.04	.03½	.03½	.03½
1	.02	.01	Glenora	......	(.01½ bid	.02 asked)		
No	.41	.18	God's Lake	3,000	.28½	.30	.27	.29½
1	.16½	.11	Goldale	200	.12	.12½	.12	.12
50c.	.29	.20	Gold Belt	......	(.22 bid	.... asked)		
1	.10	.02½	Gold Eagle	7,500	.03½	.04	.04	.04
1	.13	.05	Golden Gate	20,500	.06	.05½	.05	.05
1	.02	.00½	Goodfish	......	(.01 bid	.01½ asked)		
1	.02½	.01½	Graham Bosquet	1,000	.02	.02	.02	.02
No	.06½	.03½	Grandora	4,000	.05	.05	.05	.05
1	.01½	.01½	Grull Wihksne	......	(.01½ bid	.04 asked)		
1	.38	.20	Gunnar Gold	1,700	.25	.25	.23	.25
			H, I, J					
1	.09½	.04	Halcrow Swayze	19,300	.04½	.05	.04½	.04½
1	.01½	.00½	Halliwell Gold	......	(.00½ bid	.... asked)		
1	5.40	3.75	Hallnor Mines	......	(.... bid	3.90 asked)		
1	1.10	.65	Hard Rock	3,800	.75	.78	.70	.72½
1	.08	.03	Harker	1,500	.03½	.03½	.03½	.03½
1	.58	.43	Hedley Mascot	......	(.45 bid	.50 asked)		
5	13.12	11.75	Hollinger	2,205	12.50	12.63	12.25	12.25
1	.30	.20	Howey Gold	49,000	.21	.30	.22	.26
No	30.50	23.50	Hudson Bay	2,017	27.00	27.00	26.00	26.50
1	.68	.20	Inspiration	......	(.37 bid	.41 asked)		
No	38.25	29.25	Int. Nickel	3,859	34.50	35.00	33.50	34.25
50c.	1.27	.85	Island Mountain	......	(1.20 bid	1.30 asked)		
1	.02½	.00½	Jacola	2,200	.01½	.01½	.01½	.01½
1	.27	.10	Jack Waite	2,500	.18½	.19	.18	.19
1	.46	.32	Jason Mines	5,268	.34½	.35	.32	.32
1	.03½	.01	Jellicoe	......	(.02½ bid	.03 asked)		
1	.01½	.00½	J. M. Cons. Gold	......	(.01 bid	.01½ asked)		
1	.02	.01	Joliet Quebec	......	(.01 bid	.01½ asked)		
			K, L					
1	4.90	3.05	Kerr Addison	10,928	4.65	4.70	4.40	4.50
1	.41	.25	Kerr Lake	200	.30	.25	.25	.25
1	.05	.01	Kirk. Gold Rand.	......	(.03 bid	.... asked)		
1	.42	.15	Kirk. Hud. Bay	......	(.24 bid	.33 asked)		
1	1.05	.65	Kirkland Lake	5,350	.70	.72	.65	.67
1	.18½	.07½	Kirk. Townsite	5,000	.10	.10	.10	.10
1	21.00	13.75	Lake Shore	960	14.75	14.75	13.75	13.75
1	5.15	4.20	Lamaque Gold	742	4.50	4.45	4.20	4.20
1	.15	.06	Lapa Cadillac	10,200	.13	.13	.11½	.12
1	.02½	.01	Lebel Oro	700	.01	.01	.01	.01
1	.60	.40	Leitch Gold	2,100	.41	.41	.40	.40
No	2.10	1.60	Little Long Lac	4,040	1.75	1.72	1.60	1.60
			M					
1	4.35	3.45	Macassa	2,250	3.65	3.75	3.65	3.70
1	2.35	1.49	MacLeod Cockshutt	6,400	2.05	2.07	1.91	2.05
1	.76	.50	Madsen Red Lake	8,550	.68	.67	.60	.62
1	2.96	.85	Malartic Gold	40,550	2.34	2.43	2.23	2.41
No	.09	.04	Mandy	1,000	.09	.09	.09	.09
No	.01	.00½	Man. & Eastern	500	.00½	.00½	.00½	.00½
1	.04	.01	Maralgo	......	(.02½ bid	.04½ asked)		
5	52.25	46.00	McIntyre	706	50.00	50.00	48.25	48.75
1	1.32	.97	McKenzie R.L.	3,550	1.00	1.05	.99	1.03
1	.24	.18	McLellan Gold	5,700	.22½	.22	.19	.20
1	.09	.04	McVittie Graham	1,300	.05	.06	.05½	.06
No	.25	.10½	McWatters	3,000	.14	.15	.15	.15
5	.39	.39	Mentor Exploration	......	(.15 bid	.... asked)		
No	1.77	.55	Mining Corp.	4,710	1.41	1.40	1.30	1.30
1	.05	.05	Moffatt Hall	......	(.02 bid	.... asked)		
1	.55	.30	Moneta	9,000	.34	.33	.30½	.32
1	.07	.02	Murphy	6,000	.05½	.07	.07	.07
			N, O					
1	.31	.21	Naybob	10,420	.24	.24½	.23	.24
1	.71	.50	Negus	500	.60	.60	.60	.60
No	.02½	.01	Newbec	2,000	.02	.02½	.02	.02½
1	.03	.00½	New Golden Rose	......	(.01 bid	.... asked)		
5	1.35	.75	Nipissing	1,870	1.21	1.20	1.15	1.15
No	58.00	49.25	Noranda	2,003	53.50	54.00	51.50	52.25
No	.52	.25	Nor. Canada	1,600	.29	.28	.27	.27
1	.04	.02½	Norgold	......	(.03½ bid	.... asked)		
No	.99	.25	Normetals	15,735	.83	.83	.70	.70
1	5.00	3.75	Northern Empire	......	(.... bid	4.00 asked)		
1	1.88	.50	O'Brien	21,655	1.43	1.42	1.15	1.25
1	.18	.10	Omega	760	.10½	.10	.10	.10
1	.15	.12½	Ontario Nickel	42,100	......	.15	.12½	.13
1	.09	.04	Osisko	1,000	.04	.04½	.04½	.04½
			P, Q, R					
No	1.65	.96	Pamour	3,255	1.14	1.15	1.05	1.10
1	.08½	.02	Pandora	1,000	.06	.05	.05	.05
1	3.00	2.25	Pato Cons. G.	600	2.90	2.90	2.90	2.90
1	.05	.02	Partanen Mal.	2,000	.03	.02½	.02½	.02½
1	.01	.00½	Pawnee Kirk.	......	(.00½ bid	.00⅞ asked)		
1	.28	.15	Paymaster	9,150	.20½	.20	.19	.20
1	2.10	1.00	Pend Oreille	1,275	1.75	1.70	1.60	1.70
1	1.69	1.25	Perron Gold	4,300	1.40	1.58	1.40	1.58
1	3.10	2.25	Pickle Crow	4,200	2.76	2.82	2.65	2.70
1	2.55	1.90	Pioneer Gold B.C.	1,000	2.30	2.35	2.20	2.20
1	9.50	8.50	Placer Devel.	......	(9.00 bid	13.00 asked)		
1	1.15	.50	Powell Rouyn	6,680	1.05	1.08	.97	1.06
1	.95	.70	Premier Gold	3,350	.79	.77	.70	.70
1	3.60	2.70	Preston E. Dome	12,150	3.15	3.30	3.15	3.25
No	.20	.15	Prospectors Air's	......	(.15 bid	.59 asked)		
1	.25	.20	Quebec Gold	......	(.20 Sept. 5)			
1	.62	.38	Queenston Gold	7,337	.53	.57	.45	.47
No	.05	.02	Quemont	......	(.04 bid	.... asked)		
No	.04	.01	Red Crest	......	(.03 bid	.05 asked)		
1	.30	.10	Reeves McDonald	......	(.28 bid	.... asked)		
1	.13½	.10	Reno Gold	......	(.10½ bid	.13 asked)		
1	.05	.02	Roche Long Lac	300	.03½	.03	.03	.03
			S, T, U, V, W, Y					
1	2.65	2.03	San Antonio	2,143	2.45	2.43	2.25	2.25
1	.07½	.01½	Sand River	......	(.02½ bid	.03 asked)		
1	.59	.25	Senator Rouyn	10,000	.27	.28	.25½	.26
1	.04	.01	Shawkey	700	.01	.01½	.01½	.01½
50c.	1.00	.73	Sheep Creek	1,000	.90	.90	.90	.90
1	1.15	.55	Sherritt Gordon	8,145	.92	.93	.88	.92
1	8.90	6.90	Sigma Mines	481	7.25	7.25	7.00	7.00
1	.69	.50	Siscoe	4,300	.55	.55	.52½	.53½
1	.43	.16½	Sladen Malartic	12,500	.25	.27	.25	.27
1	.19½	.06½	Slave Lake	21,500	.07½	.08	.07	.08
1	.15	.06	St. Anthony	3,500	.06½	.07	.06½	.06½
No	2.09	.81	Steep Rock	21,365	1.67	1.72	1.52	1.59
No	.04½	.02	Straw Lake	7,000	.02½	.02½	.02½	.02½
1	.24	.12	Sturgeon River	6,100	.14½	.15	.14½	.15
No	1.90	1.10	Sudbury Basin	610	1.60	1.55	1.45	1.55
1	.05½	.01½	Sudbury Contact	500	.04	.03½	.03½	.03½
1	.80	.50	Sullivan Cons.	5,700	.68	.68	.58	.60
1	2.95	2.25	Sylvanite	1,080	2.40	2.40	2.25	2.31
1	3.75	2.63	Teck Hughes	3,727	2.75	2.90	2.63	2.65
1	.08½	.04	Temiskaming	2,000	.05½	.05½	.05½	.05½
1	1.80	1.20	Toburn Gold	200	1.25	1.25	1.25	1.25
1	.22	.08	Towagmac	1,000	.18	.15	.15	.15
No	.50	.20	Trans. Resources	700	.38	.38	.35	.35
1	.39	.06	Uchi Gold	7,500	.10	.09½	.09½	.09½
.	84.00	38.50	Do., Bonds		(40.00 bid	45.00 asked		
1	2.28	1.27	Upper Canada	17,520	1.70	1.70	1.54	1.68
No	4.90	2.75	Ventures	900	4.15	4.20	4.05	4.20
No	5.15	3.00	Waite Amulet	3,931	4.60	4.45	4.40	4.45
1	.26	.15	Wendigo	3,000	.18	.18½	.17	.17
1	.02½	.01	Wiltsey Coughlan	......	(.01½ bid	.03½ asked)		
1	.10	.04	Wood Cadillac	3,700	.06½	.07	.07	.07
No	7.05	3.25	Wright-Hargreaves	11,271	3.70	3.75	3.25	3.25
No	.08	.04	Ymir Girl	1,000	.04½	.04½	.04½	.04½

Oil Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
No	.11½	.04	Acme Gas & Oil	......	(.05½ bid	.07½ asked)		
1	.09	.06	Alta. Pac. Cons.	1,000	.06½	.08	.08	.08
1	.18	.10	Ajax	......	(.13 bid	.14½ asked)		
No	.81	.46	Anglo Canadian	8,550	.60	.61	.56	.60
No	.12	.05	Br. Dominion	......	(.07 bid	.09 asked)		
No	.12	.06½	Brown Oil	......	(.... bid	.07 asked)		
No	1.49	1.05	Calgary & Ed.	3,240	1.25	1.25	1.15	1.15
1	.26	.14	Calmont	......	(.15½ bid	.20 asked)		
No	.26	.18	Commoil	......	(.20 bid	.25 asked)		
No	.30	.19	Common Pete	......	(.25 bid	.32 asked)		
No	.32	.20	Dalhousie	1,605	.23	.23	.21	.22
No	.17	.11½	Davies Pete	3,500	.13	.12½	.12	.12
No	.05	.02½	East Crest	2,100	.03½	.03	.03	.03
No	.30	.20	Federated Pete	......	(.... bid	.25 asked)		
No	.84	.40	Foothills	1,600	.65	.65	.65	.65
No	.08	.04	Hargal	......	(.... bid	.15 asked)		
No	.15	.06	High Sarcee	1,600	.13½	.14	.13½	.14
No	2.67	1.50	Home	14,150	2.30	2.30	2.15	2.25
1	.03	.01½	Homestead O. & G.	2,000	.02	.03	.02½	.02½
No	.08	.04	McD. Segur	......	(.04½ bid	.04⅞ asked)		
1	.20	.15	Model	......	(.16½ bid	.21 asked)		
25c.	.05	.05	National Petroleum	......	(.... bid	.05 asked)		
1	.06	.01	Nordon	......	(.03½ bid	.07 asked)		
No	.02⅞	.01½	Oil Selections	......	(.02½ bid	.02½ asked)		
No	.78	.35	Okalta	1,000	.50	.45	.45	.45
No	.04½	.02⅞	Pacalta	1,500	.02½	.02½	.02½	.02½
1	.27	.15	Pacific Petroleum	......	(.20 bid	.30 asked)		
No	.30	.25	Petrol Oil & Gas	......	(.30 bid	.50 asked)		
No	25.00	16.50	Royalite	60	23.00	21.50	21.00	21.00
No	.30	.10	South West Pete	......	(.17½ bid	.25 asked)		
No	.04	.01	South End	......	(.00½ bid	.... asked)		
5	1.25	.90	Texas Can.	100	.95	.97	.97	.97
No	.06	.02½	United Oils	......	(.04 bid	.05 asked)		
1	.04	.01	Vermilata	5,000	.03	.04	.03	.04
1	.34	.25	Vulcan	......	(.18 bid	.... asked)		

Vancouver Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
No	.05	.03½	Bayonne	1,000	.05	.05	.05	.05
No	11.90	9.50	Bralorne	1,095	11.25	11.10	10.90	11.00
1	.00½	.00⅞	Bridge River Cons.	......	(.00½ bid	.... asked)		
1	2.91	2.05	Cariboo Gold	100	2.10	2.10	2.10	2.10
No	.01½	.00½	Dentonia	1,000	.01½	.01½	.01½	.01½
No	.01½	.00½	Fairview Amal.	......	(.00½ bid	.01 asked)		
1	.15	.13	George Copper	......	(.12½ bid	.... asked)		
1	.08½	.03½	Goleonda	1,000	.06½	.06	.06	.06
50c.	.30	.20	Gold Belt	......	(.21 bid	.... asked)		
50c.	.20	.10	Grandview	......	(.15½ bid	.18 asked)		
1	.03	.01	Grull Wihksne	10,000	.02½	.02½	.02½	.02½
1	.60	.45	Hedley Mascot	500	.46	.46	.46	.46
No	.00½	.00½	Home Gold	......	(.00½ bid	.00½ asked)		
1	.01	.00½	Indian Mines	......	(.01 bid	.... asked)		
50c.	1.27	.75	Island Mountain	3,200	1.25	1.25	1.25	1.25
1	.35	.27	Inter'l Coal	500	.31	.31	.31	.31
50c.	.28	.20	Kootenay Belle	700	.25	.20	.20	.20
1	.25	.20	McGillivray Creek	......	(.23 bid	.... asked)		
No	.03	.00½	Minto Mines	......	(.02½ bid	.03 asked)		
50c.	.02	.00½	Nicola	30,000	.01½	.02	.02	.02
1	.10	.03½	Pacific Nickel	......	(.... bid	.09 asked)		
1	2.00	1.26	Pend Oreille	......	(1.65 bid	1.80 asked)		
1	2.55	1.95	Pioneer Gold	600	2.35	2.30	2.20	2.20
No	.03½	.01½	Premier Border	2,000	.02	.02	.02	.02
1	.97	.75	Premier Gold	5,400	.78	.75	.75	.75
No	.63	.44	Privateer Mines	1,800	.55	.54	.52	.53
1	.02½	.01½	Quatsino Copper	......	(.01 bid	.... asked)		
1	.37	.10	Reeves McDonald	300	.35	.30	.30	.30
1	.03	.01	Relief Arlington	2,000	.01	.01	.01	.01
1	.13	.10	Reno Gold	......	(.10 bid	.12 asked)		
1	.06½	.04	Sally Mines	......	(.... bid	.... asked)		
50c.	.02½	.01	Salmon Gold	......	(.00½ bid	.01½ asked)		
50c.	1.00	.72	Sheep Creek	1,700	.91	.91	.90	.90
1	.85	.65	Silbak Premier	......	(.70 bid	.... asked)		
No	.00⅞	.00½	Silvercrest	......	(.... bid	.... asked)		
1	.05	.05	Sunloch	......	(.... bid	.... asked)		
50c.	.15	.10	Surf Inlet	1,000	.11½	.10	.10	.10
No	.02	.02	Taylor Bridge	......	(.02½ bid	.... asked)		
20c.	.00½	.00½	Wellington	......	(.00½ May 16)			
50c.	.00½	.00½	Wesko	......	(.... bid	.... asked)		
1	.02	.00½	Whitewater	......	(.01½ bid	.02 asked)		
No	.08	.04½	Ymir Yankee Girl	......	(.04½ bid	.06 asked)		

Oil Quotations

Par Val.	Range 1941 High	Low	Company	Sales	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
1	.09½	.05	Alta. Pac. Cons.	60	.07	.06½	.06½	.06½
No	.83	.46	Anglo Canadian	600	.59	.58	.57	.57
No	.08½	.03½	Anaconda	......	(.03 bid	.... asked)		
No	.07	.04	Brit. Dominion	......	(.07 bid	.08 asked)		
No	.07½	.05	Brown Oil	......	(.06½ bid	.... asked)		
No	1.50	1.01	Calgary Ed.	700	1.33	1.26	1.22	1.22
1	.26	.14	Calmont	......	(.16 bid	.20 asked)		
No	.28	.18	Commoil	......	(.20 bid	.... asked)		
No	.28	.19	Commonwealth	......	(.23 bid	.32 asked)		
No	.30	.20	Dalhousie	......	(.20 bid	.25 asked)		
No	.16	.13½	Davies Pete	......	(.12 bid	.... asked)		
No	.04	.02	East Crest	......	(.... bid	.... asked)		
No	.19	.11	Extension	......	(.18½ Aug. 11)			
No	.36½	.21	Federated Petroleum	......	(.... bid	.... asked)		
No	.85	.41	Foothills	......	(.60 bid	.75 asked)		
No	.16	.07	High Sarcee	......	(.... bid	.14 asked)		
No	2.66	1.50	Home Oil	1,600	2.30	2.30	2.18	2.25
No	.01½	.01	Madison	......	(.... bid	.01½ asked)		
No	.02	.01	Marjon Oil	......	(.01 bid	.... asked)		
No	.07	.04	McD. Segur Ex.	2,000	.05	.04½	.04½	.04½
No	.05	.02	Mercury	5,000	.04½	.04½	.04½	.04½
No	.09	.04	Mill City Pete	500	.08	.07	.07	.07
1	.20	.12	Model	3,000	.20	.17½	.17½	.17½
25c.	.05½	.04	National Pete	500	.04	.04	.04	.04
1	.05	.04	Nordon	......	(.... bid	.... asked)		
No	.75	.40	Okalta	500	.56	.40	.40	.40
No	.04	.02	Pacalta Oil	1,500	.03½	.02½	.02½	.02½
1	.26	.18	Pacific Petroleums	1,700	.20	.20	.20	.20
No	.15	.04½	Royal Canadian	......	(.04½ bid	.05 asked)		
No	.10½	.06	Royal Crest	......	(.... bid	.... asked)		
No	25.00	17.12	Royalite	......	(.... bid	25.00 asked)		
No	.01½	.01	South End	......	(.00½ bid	.... asked)		
No	.25	.10	Southwest Pete	......	(.... bid	.... asked)		
1	.05½	.02½	Spooner	......	(.02 bid	.... asked)		
25c.	.14	.10	Sunset Oil	......	(.09 bid	.11 asked)		
No	.06	.03	United	3,000	.06	.04½	.04½	.04½
No	.04½	.03	Vanalta	1,000	.04	.04	.04	.04
1	.38½	.20	Vulcan	......	(.20 bid	.25 asked)		

*Quotations for 1940.

Winnipeg Stocks

(Transactions from Oct. 14 to Oct. 18)

	Sales	High for period	Low for period	Close Oct. 18
Federal Grain, pref.	10	37.50	37.50	37.50
Forty Four	500	.25	.25	.25
Western Steel Prod.	15	9.00	9.00	9.00

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, c.	.35	1.25
Can. Indemnity	140	..	Grouped Inc.	..	4⅛
Beav. Lumber, c.	2½	5	Home Invest.	15⅝	..
Beav. Lumber, p.	100%	102½	Nor. Can. Mtg. p	5	..
Can. Airways	1	..	North. Trusts	7	8
Corr. P. Box	.60	..	Traders Bldg.	43	..
Cres. Cream., pf.	11	15	Unit. Grain	10	11
Dom. Envelope, c.	8	8¼	West. Brew.	1⅝	2¼
Dom. Envelope, p.	86	100	West. Grain, p.	5	9

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Oct. 21	9,400	8,800	184,000	......
Oct. 20	3,300	3,700	97,000	9,102
Oct. 18	2,800	3,700	83,000	21,400
Oct. 17	8,500	7,300	124,000	24,510
Oct. 16	9,800	10,200	264,000	19,570
Oct. 15	6,800	7,900	121,000	14,968

Government Bonds

Oct. 22, 1941 (Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
5	Nov. '41	100½	100½	...
1½	May '42	100¼	100⅞	.45
2	June '42	100½	101	.35
3	Oct. '42	101⅞	102⅛	.83
2½	June '43	101⅞	102¼	1.19
5	Oct. '43	106½	106½	1.68
2	June '44	100⅞	101½	1.50
a2½	Jan. '44	99	99½‡	2.47
4½	Oct. '44	107½	107⅞	1.83
2½	Nov. '44	102	102¼	1.70
a2½	Aug. '45	98½	98⅞‡	2.85
a4	Oct. '45	104½	104⅞	b1.62
2	Mar. '45	100½	101	1.89
2	Dec. '46	98⅞	99½	2.15
4½	Feb. '46	109½	110	2.03
3½	June '49	102⅞	103½	b2.43
3½	Oct. '49	102½	103½	b2.38
3½	Nov. '51	101½	102	b2.94
3½	Feb. '52	101½	102	b2.89
a5	May '52	101½	‡101½	b1.47
4	Oct. '52	105⅞	106⅞	b2.85
3	June '51	99½	100	3.09
3	Oct. '52	98½	99½	3.08
3	June '55	98⅞	99½	3.04
4½	Nov. '56	107	107⅞	b2.82
4½	Nov. '57	107⅞	108½	b2.94
3	June '58	98½	99½	3.05
4½	Nov. '58	108½	109½	b3.04
4½	Nov. '59	109½	110	b3.07
a4	Oct. '60	105½	106‡	b3.22
a3½	Jan. '61	98½	99½‡	3.30
3½	June '66	100⅞	101⅞	b3.14
a3e	Jan. '67	96½	96½‡	3.19
a3e	Nov. '68	95⅞	96½‡	3.20
†3	Perpet'l.	93½	94	3.19

Dominion Guarant'd Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100½	101½	1.05
2½	Jan. '46	100½	101½	1.95
3	May '44	102⅞	103½	1.57
3	Dec. '50	99½	100	3.00
3	Feb. '53	98	99	3.08
3	Jan. '59	97⅞	98½	3.11
*4½	Sept '51	116½	117½	2.48
*4½	Feb. '56	116½	117½	2.98
4½	July '57	117½	118½	3.00
*4½	June '55	119	120	2.27
5	Feb. '54	117½	118½	3.16
*5e	July '69	115⅞	116½	b.73
*5e	Oct. '69	120	121	b2.64
*5e	Feb. '70	119½	121	b2.72

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '62	101	102½	2.83

Provincial Gov't. Bonds

%	Due	Bid	Ask.	Approx. Yld.
	New Brunswick:			
3	Oct. '51	91	93	3.85
3½	Aug. '49	93½	95½	3.92
3½	June '56	94	96	3.85
c4	Nov. '47	101	104	b2.95
c4½	Apr. '61	104½	106½	4.01
c5	Jan. '60	107½	109½	4.20
	Nova Scotia:			
3	Jan. '52	95½	97	3.35
3½	June '56	96	98	3.42
3½	Nov. '50	99	100½	3.43
c4½	Sept. '52	108	110	b2.66
c4½	Nov. '60	110½	112½	3.59
c5	Mar. '60	116½	118½	3.61
	Ontario:			
2½	May '45	99½	100½	2.35
*3	Apr. '48	99½	100½	b2.94
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	101	b3.10
3½	May '55	99⅞	100⅞	b3.16
*4	June '62	108½	110½	3.29
*4½	June '50	109	110	3.15
*4½	Jan. '62	114	116	3.40
5	Oct. '48	110½	111½	3.15
*5	Dec. '60	121	123	3.35
5½	July '46	110½	111½	3.05
	Ont. Hydro Commission:			
3	Aug. '48	99½	100	b3.00
3½	Feb. '53	100	101	b3.11
3½	Apr. '47	101½	102½	2.99
	Prince Edward Island:			
4	Mar. '54	100	101½	3.84
	Quebec:			
3	Nov. '47	96½	98	3.37
3½	Mar. '48	96½	98½	3.51
3½	Mar. '59	94½	96½	[illegible]
4	Nov. '52	100½	102	[illegible]
3½	Feb. '55	98	99½	[illegible]
4½	Aug. '58	102	104	[illegible]
4½	Jan. '63	105½	107½	[illegible]
	Alberta:			
4	Dec. '54	62	66	d
4½	Oct. '51	65	69	d
4½	Oct. '56	64	68	d
*5	Oct. '59	65	69	d
c5½	Apr. '52	68	71	d
6	Mar. '47	70	73	d
	British Columbia:			
c4	Dec. '57	99	103	[illegible]
*4½	Jan. '51	105	108	[illegible]
c4½	Oct. '53	105	108	[illegible]
c5	Apr. '54	108	112	[illegible]
5½	Feb. '45	104	108	[illegible]
6	Feb. '47	105	109	[illegible]
	Manitoba:			
c4	Dec. '57	95	99	[illegible]
c4½	Dec. '56	96	100	[illegible]
*5	Dec. '59	100	104	[illegible]
5½	Oct. '55	101	105	[illegible]
6	Apr. '47	101	105	[illegible]
	Saskatchewan:			
4	Sept. '54	75	79	[illegible]
4	Nov. '60	74	78	[illegible]
c4½	Oct. '51	85	89	[illegible]
c4½	Mar. '60	81	85	[illegible]
5	Aug. '58	85	89	[illegible]
5½	Oct. '52	89	93	[illegible]
6	Mar. '52	91	95	[illegible]

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

Oct. 21, 1941 (Furnished by A. J. Pattison Jr. & Co., Toronto)

Industrials:	Bid	Ask.
Acme Farm., pf.	38	43½
Andian National	29	31
Anglo C. Tel., A	7⅞	8½
Atlas Steel	20	..
Barrymore, pfd.	30	..
B. C. Pulp, c.	12	13⅞
Do., pfd.	68	72
B. C. Sugar	74	76½
B. C. Tel., 1st p.	111	114
Brown, pfd.	32	33
Burns & Co., A	3½	4½
Do., B	2	3
Can. Co-op. Wl.	8	..
Can. Indust., A	170	175
Can. Ing. Rand	75	77
Can. Mot. L.A.B.	2⅞	..
Can. Tube, 1st p	85	..
Chase, A. W., p.	18	20
Claude Neon, p.	3½	4½
Colonial Steam.	26	28½
Copeland Fl. un.	12	14
Colonial Realty	2	..
Dunlop T. p. $25	21	22
Easy Wash. p $10	10½	11½
Galt Brass, c.	8	..
Goderich Elev.	6⅞	7½
Guelph Carp., c.	18	20
Gurney Fdry., p	1½	1⅞
Hayes Steel, c.	14	16½
Hi'land Dairy, p	48½	51
Homewood San.	100	108
Inglis, John	5	6
Ingram & Bell p	95	..
Kingst. Ship. un	30	32½
Do., com.	4	5
Loblaw, Ic., c.	10	11½
Minn. & Ont. P. c	3⅞	4½
M'row Screw, p.	104	106
Do., com.	12½	..
Moirs, Ltd.	19½	21½

	Bid	Ask.
Morrison Br. un	4½	5½
Mt. R. Hotel, c.	2½	3⅞
N. B. Tel., c.	10½	12½
Neilson, Wm. p.	100	..
N. Meth. Ldy. p	56	58½
Ont. Jockey C.	800	900
Ont. Tobacco, p	17	19½
Pac. C. Term. c.	..	9
Prov. Paper, pf.	101½	103⅞
Quinte Milk	2½	3½
Ruddy, E. L., p.	22	25
Stand. Fuel, p.	52½	55
Stedman, pf. 50	57½	59½
Sutton Horsley	1	1½
Tor. Carpet, c.	40	..
Do., pfd.	65	70
Un. F. Co-op.	2⅞	3½
Un. Steel A pf.	23½	25
Viceroy Mfg., c.	12⅞	..
Trusts & Loan Stocks:		
Brit. Mtge.	127	134
Brockville Tr.	41	..
Capital Tr.	30	32½
Comm. Fin., c.	3⅞	..
Grey&Br. Tr. $50	40	45
Guaranty Trust.	100	103½
Guelph & O. $50	50	53½
Indust. Mtge.	24	..
Lambton Loan	30	33½
Midland Loan	14	16
Premier Trust	..	43
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. C. InvO Tr.	1⅞	..
Traders Fin. A c	6	8
Do., A pfd.	74	79
Trusts & Gr. new	39	43
Victoria Trust	71	75
Waterloo Trust	99	..

Insurance Stocks:	Bid	Ask.
Canada Life	375	[illegible]
Brit. Amer.	50	53
Canadian Fire	80	84
Confed. 30% pd.	130	139
Continental L.	35	40
Crown, fully pd.	265	285
Dominion Fire	138½	145
D. of Can. Gen.	115	120
Empire, 25% pd.	5	6
Excelsior 38% pd	70	75
Federal, 25% pd.	51	..
Great-West Life	195	[illegible]
Halifax Fire	18½	19
Imperial Life	288	[illegible]
Manufac. Life	215	[illegible]
Monarch Life	33½	[illegible]
National Life	..	19
Sov. L. 25% pd.	12½	..
Sun Life	290	[illegible]
Tor. General	4½	[illegible]
Wellington Fire.	68	..
Western Assce.	43	[illegible]
Theatre Stocks:		
Allen's King. un	61	[illegible]
Do. St. Cath. un	62	..
Loew's London p	3⅞	[illegible]
Mansf. Theat. p.	28½	30
Para. Kitch., p.	50	..
Do., Oshawa, c	8	10
Investment Trust Shares:		
Can. Investors	4	5
Inv. Found. un.	42½	44½
Sec's. Hold., pf.	18	[illegible]
United Corp., A	20	[illegible]
Do., B	5½	6
Power Issues:		
Can. W. N. Gas	25	..
Do., pfd.	101	[illegible]
Gt. Lakes Pr. p.	102	[illegible]
Mtl. Is. Pwr., p.	40	..
Nor. Ont. Pr. p.	70	[illegible]

Unlisted Mines

Toronto, Oct. 21, 1941

	Bid	Ask
Albany R (Old)	.03	.05
(New)	.09	.11
Amal Kirk	.06½	.08
Anoki	.03	.04
Aquarius	.20	..
Arjon	.04½	.05½
Armistice	.14	.16
Argosy	.06	.08
Area	.03	.04
Athona (Old)	.01	.02
(New)	.02	.04
Barb Lard	.02	.03
Bilmac	..	.02
Brock	.24	.26
Buf Bear	..	.03
Calder Bo	.03	.05
Can Rad	.08	.10
Central M	.02	.02½
Cheminis	.03½	.04
Coin Lake	.02½	.03½
Cons Chib	.05	.06½
Crescent	.00½	.01
Crosscourt	.09	.11
Dayton	.01	.02
Delpine	.13	.15
Demp Cad	.01	.02
Denovo	.10	.12

	Bid	Ask
Desants n	.12	.16
Dona Pat	.00⅞	.01½
E Laco'a	..	.01
Eastward	.14	.16
Elmos	.06	.08
Franco	.27	.33
Galore	.01	.01½
Gate Pat	.00⅞	.01½
Hayes Tad	.02½	.03
Gilbec	.00½	.01
Highridge	..	.06
Hoyle nw	.15½	.17
Hugh PaP	.06	.08
Hutch Lke	.01½	.02½
Jasper	.02	.12
Keora	.01	.02
Kenricia	.01	.02
Kewaga'a	.01	.02
Kiena	.01	.03
Kirk Gate	.00⅞	.01½
Lacoma	..	.01
Laguerre	.30	.33
Lake Duf	.19	.20
Lake Gen	.08	.11
Largold	.20	.23
Lw Pete	.12	.16
Magnet C	.80	.83
Magnet L	.18	..
Martin Br	.03	.04

	Bid	Ask
Margaret	.08	..
Mata Can	.03½	..
Mata Con	.16	.20
McMar'ac	.31	.33
MofHal n	.02½	.03½
Mooshla	.01½	.02½
Mosher	.10½	.12
McManus	.01⅞	.02½
Nat Mal	.27	.32
New Aug	.25	.28
Nickel O	.70	.85
Norbeau	.20	.25
Northland (1940)	.04½	.06
Norwin	.03	.05
New Mal	.17	.19
Numalake	.09	.11
Oklend	.04	.05½
O'Leary	.03½	.04
Opemiska	.06	.08
Oriole	.00½	.01
Orpit	.10	.11½
Ossian	.00½	.01
Pascalis	.23	.26
Pontiac R (Old)	.02	.04
Pelangio	.01	.02½
Phoenix	.01	.02½
Polaris	.05	.08

	Bid	Ask
Propri'y	4.40	4.60
Presdor	.06	.08
Queb Mn	.16	.18
Rahn Lke	..	.01
Rand Ml	.15	.16
Red Lake	.01	.02
Ritoria	.03	[illegible]
Ribago nw	.00½	.02
Rouge D	.03	.06
S.A.G.A.	.75	1.10
Sachigo	4.00	4.25
Sanshaw Special	..	.07
Senore	..	.08
Shenango (New)	.17	.20
Sheldon	.04	.05
Skynner	.01½	.02½
Smelt's G	.00½	.01
Sunbeam	..	.010
Springer	.22	.25
Stadacona	.08	.11
Thomson	.12	.14
Treaty P	..	.05
Union Mn	.03½	.04½
Tobico	.08	.10
West Red	.00½	.01½
Wesley	.02½	[illegible]
Y David'n	.33	.36

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Oct. 21, 1941

	Int. Rate	Due	Bid Oct. 21	Asked	Bid Oct. 14 %
Public Utility Issues:					
▲†Alg. C. H.B.R.	5	'59	11	13	10
†Assoc. Tel. & T.	5½	'55	67½	70½	68
B. C. Power	4½	'60	99½	101½	99½
B. C. Tel.	4½	'61	105½	107½	105½
†Calgary Pwr.	5	'60	106	108	105½
Do.	5	'64	103	...	103
†Can. Nor. Pwr.	5	'53	101½	103½	101
*Dom. Gas & El.	6½	'45	102	104	102
Gatineau Pwr.	5	'49	99½	101½	100
*Do., A	3½	'69	98	100	98½
↓Do., B	3½	'69	98	100	98
Gt. Lakes Pwr.	4½	'56	100½	102½	100½
Do.	5	'57	97½	100½	97½
*Int. Hydro-El.	6	'44	38½	41½	40½
▲Inter. Power	6	'55	101½	103½	101½
L. St. Law. Pwr.	5	'55	98	101	97½
Macl'n-Que. Pr.	5	'59	98	100	98½
Mtl. L. H. & Pr.	3½	'56	102½	104½	103
Do.	3½	'73	100½	102½	101
Do.	3½	'63	101	103	101½
†Mtl. Tramways.	5	'41	96½	99½	97
†Do.	5	'55	68	71	71
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	101	103	100½
Ottawa L.H.&P.	4	'57	101½	103½	101½
Ottawa V. Pwr.	5	'59	101½	103½	101½
†Power Corp.	4½	'59	94½	97½	94½
Quebec Pwr.	4	'62	102	104	101½
*Saguenay P.	4½	'66	107	...	107
↓Do., B	4½	'66	104½	...	104½
St. Maurice Pr.	4½	'70	102	104	101½
Shaw. W. & Pr.	4	'61	102½	104½	102
Do.	3½	'46	100	102	100
Do.	4	'69	102	104	101½
Union Gas	4½	'50	102	104	102
*Twin C. R. Tr.	5½	'52	68½	71½	70
†United Secs.	5½	'52	40	43	39½
‡Wpg. El. ser. A.	5	'65	77½	80½	77½
Do., B	5	'65	58	61	57½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	65	68	65
Do., C.O.D.	5	'53	65	68	65
Acadia Sugar	4½	'55	102	104	101½
Do.	6	'54	98	101	98
†Alta. Pa. Grain.	6	'46	101	103	101
Algoma Steel	5	'48	103½	105½	103½
Atlantic Sugar	4	'51	101	103	101
†B. C. Pulp & P.	6	'50	94	97	94
‡†Do.	7	'50	114½	117½	114½
*Brown Co.	5½	'46	..	..	66½
Burns & Co.	5	'58	63½	66½	63½
Canada Cement	4½	'51	103	105	103
Canada Electric	4½	'65	95½	98½	95½
Can. Paper	4½	'52	101½	103½	101½
Can. Steamships	5	'57	101	103	100½
Can. Canners	4	'51	102½	104½	102½
*Can. Int. Paper.	6	'49	104½	106½	104½
‡Can. Locomotive	6	'53	92	95	92
‡†Candn. Vickers	6	'47	75	78	75
C. P. R.	3½	'51	94½	96½	95
Do.	4	'49	98½	100½	98
Do.	6	'42	100½	102½	101
Col. Steamships	6	'54	99	101	99
†Consol. Paper.	5½	'61	75	78	74
Dom. Coal	4½	'52	101½	103½	101½
Dom. Scott. Inv.	4	'52	95	98	95
Dom. Stl. & C.	6½	'55	105	108	105½
Dom. Tar	4½	'51	102½	104½	102½
Dom. Woollens.	6	'53	97	100	97
†Donnacona Pap.	4½	'56	79½	82½	79
*Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	6	'49	84½	87½	85
Famous Players	4½	'51	99	101	99
†Federal Grain	6	'49	101	103	101
†Fraser Cos.	6	'50	101½	103½	101½
Galt Brass	5	'50	90	..	90
Gen. Stl. Wares	4½	'52	100	103	100½
*Gt. L. Paper	5	'55	95	98	95½
*Gurney Fdry.	5½	'49	74½	77½	76
†Gypsum Lime	5½	'48	100	103	101½
Ham. By-Pr. C.	5	'55	102	104	102
Do.	6	'56	100	102	100
Ham. Cotton	4½	'50	100	102	100
Inter-City Bak.	5½	'48	102	104	102
Indust. Accept.	4	'52	78	81	78
Ins. Ex. Bldg.	3	'51	42½	45½	42½
*Inter. P. Nfld.	4½	'68	90	93	90
*Inv. Bond & Sh.	5	'47	42½	45½	42½
†Kingston Elev.	6	'50	104	107	105
Lake St. J. P.	5½	'61	89	92	90½
Do.	5	'61	67	70	69
Legare	6	'61	85½	88½	85½
Maple L. M.	3	'58	75½	78½	76
Man. Sugar	5	'60	100½	102½	100½
Massey-Harris	4½	'54	93½	96½	94½
McColl-Fron.	4½	'49	102	104	102
McCormicks	6	'52	95½	98½	96

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

Oct. 21, 1941

Miscellaneous Stocks:	Bid Oct. 21	Asked	Bid Oct. 14
†Allens Tor. Th., p.	32½	35	[illegible]
Atlas Steel, 7% pfd.	103½	106	[illegible]
Brantford Roofing, c.	1½	2	[illegible]
Brown Co., new com.	1.90	2.10	[illegible]
Do., new p.	23½	24½	[illegible]
Can. Col. Airways	3½	3⅞	[illegible]
*Can. Gen. Rubber, pfd.	25	27	[illegible]
C.P.R., 4% pfd. (£ par)	1.50	2.25	[illegible]
Cap. Wirecloth, p.	20	22	[illegible]
Cawthra Apts., pfd.	1.60	2½	[illegible]
Corrug. Paperbox, c.	.55	.75	[illegible]
Dom. Life, 7% pd.	165	185	[illegible]
Dover Industries	6½	7	[illegible]
†Fort W., Hotel, units	43	50	[illegible]
Galt Brass, c.	9½	10	[illegible]
Imperial Varnish, c.	9½	10½	[illegible]
Indust. Accept., 5% p.	70	74	[illegible]
Inter. Util., 1.75 pfd.	13½	15½	[illegible]
Do., 3.50 pfd.	36½	40	[illegible]
London & West. Trusts	34	36½	[illegible]
McManus Petrol., p.	7½	10	[illegible]
*Monarch Mtge. Inv. un.	.35	.50	[illegible]
Murphy Paint, com.	9.10	10	[illegible]
Do., pfd.	89	91	[illegible]
Nat. Hosiery, pfd.	.70	.90	[illegible]
†N. Amer. Elevator, p.	73	..	[illegible]
St. John Dry D., p.	99½	101	[illegible]
Seal-o-Sac	.75	1.00	[illegible]
Second Stand. Royal., p	.04½	.05½	[illegible]
Tip Top Tailors Inc., p.	13½	15	[illegible]
Traders Finance rts.	12½	13½	[illegible]
Wentworth Radio, p.	2½	3⅞	[illegible]
West Can. Hydro, p.	10½	11½	[illegible]
West. Life, 10% pd.	9.10	10	[illegible]

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate	Due	Bid Oct. 21	Asked	Bid Oct. 14
Do.	4½	'52	103	...	[illegible]
Mercury Mills	5	'59	94½	97½	[illegible]
Mersey Paper	5	'57	98	101	[illegible]
†Do.	6	'49	99	102	[illegible]
*M. & O. Paper	5	'60	91	94	[illegible]
Moirs Ltd.	6	'53	87	..	[illegible]
‡Mtrl. Drydocks.	6	'48	71	74	[illegible]
Montreal Apts.	4	'54	54	57	[illegible]
Nat. Grocers	4	'47	101	...	[illegible]
N. S. Stl. Coal	3½	'63	83½	86½	[illegible]
Price Bros.	5	'57	98	101	[illegible]
Do.	4	'57	84½	87½	[illegible]
*Prov. Paper	5½	'47	105	...	[illegible]
Reliance Grain.	4½	'52	96	99	[illegible]
†Restigouche Co.	6	'48	100	102	[illegible]
Rolland Paper	4½	'51	102½	104½	[illegible]
Ruddy, E. L.	6½	'48	101	...	[illegible]
Silv. Dairies	6	'66	93	96	[illegible]
Simpsons, Ltd.	4½	'51	100½	102½	[illegible]
Smith, Howard.	4½	'51	103	105	[illegible]
Stand. Lime	6	'44	97	..	[illegible]
Sterling Coal	6	'45	97½	100½	[illegible]
Stop Shop	3	'47	57½	60	[illegible]
United Corp.	5	'53	92	95	[illegible]
*United Gas	5½	'48	104½	107½	[illegible]
United Gr. Grs.	5	'48	97	100	[illegible]
†Western Grain	6	'49	64	67	[illegible]

*Payable in Can. or U. S.
†Payable in Can., U. S. of U. K.
*Payable in U. S.
↓Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.19	[illegible]
Can. Amer. Trust	3.00	[illegible]
Can. Inter. Trust	4.00	[illegible]
Can. Invest. Fund	3.15	[illegible]
Corporate Investors	5.63	[illegible]
Trans-Canada	10.00	[illegible]

Municipal Bonds

Oct. 21, 1941

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	112.00	115.00	[illegible]
Hamilton	5	1950	109.25	112.25	[illegible]
Montreal	5	1945	94.50	95.50	[illegible]
Ottawa	4½	1945	104.65	107.15	[illegible]
†Quebec	5	1959	106.00	109.00	[illegible]
Saint John	5	1950	103.00	105.00	[illegible]
†Toronto	4½	1955	109.00	112.50	[illegible]
†Vancouver	5	1950	104.00	108.00	[illegible]
Winnipeg	5	1944	102.00	104.00	[illegible]

†Payable Can. & N.Y.

Annual Meetings

1941: Company	Place
Oct. 22—Toronto Elevators	Toronto
Oct. 25—Blue Ribbon Corp.	Toronto
Oct. 27—Spooner Oils	Calgary
Oct. 28—Gold Eagle Gold Mines*	Toronto
Oct. 29—Lake of Woods Milling†	Toronto
Nov. 20—Algoma Cent. Ter.‡	London, Eng.
Nov. 20—Algoma C. & Hud. Bay Rly.‡	London, Eng.
Nov. 28—Lapa Cadillac Gold	Toronto

*Special general. †Annual and special. ‡Bondholders. ‡Stock and bondholders.

Mining Dividends

	Rate	Oct. 20	Yield %
Anglo-Huronian	▲10c	2.90	..
Aunor Gold	12c	1.70	..
Beattie Gold	16c	1.13	14.2
Bralorne	80c+40c	10.75	*11.2
Broulan Porc.	12c	.69	17.4
Buffalo Ankerite	▲30c	4.00	..
Bulolo Gold	$3	18.50	16.2
Can. Malartic	8c	.55	14.5
Cariboo Gold	16c+8c	2.15	*11.1
Central Patricia	16c+6c	1.54	*14.2
Chesterville	10c	1.65	..
Cochenour Willans	3c	.65	..
Coniagas	▲17½c	1.27	..
Coniaurum	16c	1.15	13.9
Cons. Smelters	$1+$1.50	38.00	*6.6
Delnite	▲3c	.70	..
Dome Mines	$2	20.25	9.8
East Malartic	▲20c	2.25	..
Falconbridge	15c	3.35	..
Francoeur Gold	▲4c	.43	..
Goldale	‡2c	.12	..
Gold Belt	▲2c	.23	..
Grandview	▲1½c	.18	..
Gunnar Gold	6c	.25	..
Hallnor	60c	4.00	15
Hard Rock	▲5c	.72½	..
Hedley Mascot	8c	.46	17.4
Hollinger	65c+45c	12.25	*8.9
Howey Gold	▲4c	.26	..
Hudson Bay	$2	26.50	7.5
Inspiration	†2c	.40	..
Inter. Nickel, com.	$2	34¼	5.8
Island Mountain	▲8c	1.25	..
Jason	†2c	.32	..
Kerr Addison	▲27c	4.50	..
Kerr Lake	‡10c	.25	..
Kirkland Lake	10c+2c	.67	*17.9
Kootenay Belle	▲8c	.20	..
Lamaque Gold	40c+15c	4.20	*13.1
Lake Shore	$1.40	13.75	10.2
Leitch	8c	.40	20
Little Long Lac	▲10c	1.60	..
Macassa	32c+3c	3.70	*9.4
Madsen R. Lake	▲3c	.62	..
Malartic Gold	†5c	2.41	..
McGillivray Coal	‡3c+1c	.25	..
McKenzie Red L.	12c	1.03	11.6
Moneta	8c	.34	..
McIntyre-Porc.	$2.22+$1.11	48.75	*6.2
MacLeod-Cockshutt	‡20c	2.05	..
Naybob Gold	4c	.24	..
Negus	†5c	.60	..
Nipissing	15c	1.15	13
Noranda	$4	52.25	7.6
North Empire	▲20c	3.75	..
O'Brien Gold	10c	1.25	..
Pamour Porc.	12c	1.10	10.9
Pato Cons.	20c+2c	2.90	*7.6
Pend Oreille	‡6c	1.70	..
Perron Gold	16c+9c	1.58	*15.8
Pioneer, B.C.	40c	2.20	18.1
Pickle Crow	40c	2.70	14.8
Placer Develop.	$1.20	9.00	13.3
Premier	11c	.70	15.7
Preston E. Dome	20c+10c	3.25	*9.3
Privateer Mines	12c+4c	.53	..
Quebec Gold	‡2c	.20	..
Relief Arlington	3c	.01	..
San Antonio	14c+6c	2.25	8.8
Sheep Creek	16c	.90	17.8
Sherritt Gordon	10c	.92	..
Sigma Mines	▲30c	7.00	..
Silbak Premier	16c	.70	22.8
Siscoe	▲6½c	.53½	..
Sturgeon River	4c	.15	..
Sudbury Basin	▲2½	1.55	..
Sullivan Cons.	▲5½c	.68	..
Surf Inlet	▲2c	10	..
Sylvanite Gold	28c	2.31	12.1
Teck-Hughes	40c+5c	2.65	*16.9
Toburn	12c+6c	1.25	*14.4
Upper Canada	▲11c	1.68	..
Ventures	▲10c	4.20	..
Waite Amulet	▲20c	4.45	..
Wendigo	3c	.17	..
Wright-Harg.	40c+30c	3.25	*21.5
Ymir Yankee	2c	.04½	..

‡Paid in 1940. ▲Paid or declared payable in 1941 to date. *Yield including bonus. †Initial.

Dividends Declared

	This payment	Date payable	Date of record
Amalgamated Oils	■*4c	Nov. 15	Oct. 31
Anglo-Can. Tele., p	68¾c	Nov. 1	Oct. 15
Assoc. Tele., pfd.	†56c	Nov. 15	Nov. 1
Do, $6 pref.	†48c	Nov. 15	Nov. 1
Ault & Wiborg, p.	$1.37½	Nov. 1	Oct. 15
Blue Ribbon, pfd.	62½c	Nov. 1	Oct. 20
Bank of Toronto	$2.50	Dec. 1	Nov. 15
Brazilian Tr., ord.	40c	Dec. 22	Oct. 15
Beatty Bros., 1st pf.	$1.50	Nov. 1	Oct. 15
Bathurst Pr., A	25c	Dec. 1	Nov. 14
Do., extra	25c	Dec. 1	Nov. 14
B.C. Tele., 2nd pf.	$1.50	Nov. 1	Oct. 17
Broulan Porc.	3c	Oct. 30	Sept. 30
Calgary Power, pf.	$1.50	Nov. 1	Oct. 15
Can. Indust., A, B	$1.50	Oct. 31	Sept. 30
Can. Nor. Power	■15c	Oct. 25	Sept. 30
Can. Bk. of Comm.	$2	Nov. 1	Sept. 30
Can. For. Inv., com.	$1.20	Nov. 1	Oct. 15
Cel. of Amer. pfd.	†$1.75	Jan. 1/42	Dec. 16
Do., part. pfd.	†$3.50	Dec. 31	Dec. 16
Can. Converters	50c	Oct. 31	Sept. 30
Cons. D. Std. Sec. p	37½c	Dec. 15	Nov. 29
Commonw'th Pet.	3c	Nov. 10	Oct. 18
Can. Bronze	37½c	Nov. 1	Oct. 20
Do., pref.	$1.25	Nov. 1	Oct. 20
Can. Oil, c.	12½c	Nov. 15	Nov. 1
Do., extra	12½c	Nov. 15	Nov. 1
Can. Tube & Stl., p.	$2	Oct. 31	Oct. 25
Coast Brew.	3c	Nov. 1	Oct. 9
Can. Investors	10c	Nov. 1	Oct. 18
Can. Forgings, A	37½c	Dec. 15	Dec. 1
Confederation Life	$1.50	Dec. 31	Dec. 25
Commonw'th. Inter.	4c	Nov. 15	Oct. 15
Crown Cork	50c	Nov. 15	Oct. 31
Crow's N. Coal	■$1.50	Dec. 2	Nov. 7
Can. Inv. Fd., sp. ord.	4c	Nov. 1	Oct. 15
Dom. & Anglo In. p	$1.25	Dec. 1	Nov. 15
Dom. Oilcloth	30c	Oct. 31	Oct. 16
Do., extra	10c	Oct. 31	Oct. 16
Dist.-Seagram. pf.	†$1.25	Nov. 1	Oct. 15
Dominion Bank	$2.50	Nov. 1	Oct. 20
Dominion Tar, p.	$1.37½	Nov. 1	Oct. 14
Dover Indust.	20c	Nov. 1	Oct. 15
East. Bakeries, p.	81¼c	Oct. 15	Sept. 30
Federal Grain, p.	$2	Nov. 1	Oct. 15
Gen. Steel W., p.	$1.75	Nov. 20	Nov. 8
Granby Elastic Web p	69c	Nov. 1	Oct. 15
Granby Cons. M.	†■15c	Dec. 1	Nov. 14
Hedley Mascot	2c	Nov. 15	Oct. 24
Humberstone Shoe	25c	Nov. 1	Oct. 20
Howey Gold	2c	Nov. 1	Sept. 30
Hart Battery	5c	Oct. 31	Sept. 30
Hollinger Cons.	5c	Nov. 4	Oct. 21
Do., extra	5c	Nov. 4	Oct. 21
Int. Paper, p. arrears	†$5	Nov. 15	Nov. 7
Imperial Bank	$2.50	Nov. 1	Sept. 30
Int. Nickel, pfd.	†$1.75	Nov. 1	Oct. 2
Inter. Util., p.	*†87½c	Nov. 1	Oct. 20
Int. Metals, pfd. A pf	$1.50	Nov. 1	Oct. 15
Do., arrears	$3	Nov. 1	Oct. 15
Kootenay Belle	2c	Oct. 25	Oct. 15
Kerr Addison	5c	Oct. 28	Oct. 7
Kirkland Lake	5c	Oct. 29	Sept. 29
Leitch Gold	2c	Nov. 15	Oct. 31
Loblaw Groc. Inc.	†25c	Dec. 1	Nov. 14
Langley's, pref.	■50c	Dec. 12	Dec. 3
Loblaw Groc., A, B	25c	Dec.	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Madsen R. Lake	3c	Dec. 1	Nov. 10
McIntyre Porc.	55½c	Dec. 1	Nov. 1
Do., extra	$1.11	Jan. 2	Nov. 1
McKen. R. Lake	3c	Dec. 15	Dec. 1
Melchers Dist., p.	30c	Dec. 15	Dec. 1
Mtl. L. H. & Pr.	37c	Oct. 31	Sept. 30
Mtge. Corp. N. S.	$1.25	Nov. 1	Oct. 24
Nor. Ont. Power	■20c	Oct. 25	Sept. 30
Do., pref.	■$1.50	Oct. 25	Sept. 30
Nipissing Mines	■15c	Dec. 11	Nov. 15
Ont. Silknit, pfd.	$1	Nov. 15	Nov. 1
Perron Gold	■4c	Dec. 20	Dec. 1
Do., extra	■6c	Dec. 20	Dec. 1
Penmans	75c	Nov. 15	Nov. 5
Do., pref.	$1.50	Nov. 1	Oct. 21
Privateer Mine	3c	Nov. 10	Oct. 25
Do., extra	1c	Nov. 10	Oct. 25
Proprietary Mines	20c	Nov. 5	Oct. 29
Quebec Power	25c	Nov. 25	Oct. 24
Rolland Paper	15c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 1	Nov. 15
Regent Knit., pfd.	40c	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
Royal Trust	80c	Nov. 1	Oct. 20
San Antonio Gold	7c	Nov. 5	Oct. 20
Do., extra	3c	Nov. 5	Oct. 20
Silbak Prem.	4c	Oct. 25	Oct. 3
Steel of Can.	75c	Nov. 1	Oct. 7
Do., pref.	75c	Nov. 1	Oct. 7
Saguenay Pwr. p	$1.37½	Nov. 1	Oct. 15
South. Can. Pwr., c.	20c	Nov. 15	Oct. 31
Simpsons, pref.	$1.62½	Nov. 1	Oct. 17
St. Law. Flour	25c	Nov. 1	Oct. 20
Do., pref.	$1.75	Nov. 1	Oct. 20
Shawinigan W.	22c	Nov. 25	Oct. 24
Sullivan Cons.	2½c	Nov. 15	Oct. 15
Sherritt Gordon	5c	Dec. 15	Oct. 31
Toburn Gold	3c	Nov. 22	Oct. 22
Do., extra	1c	Nov. 22	Oct. 22
Toronto Elev.	$1	Nov. 7	Oct. 25
Do., pref.	66c	Dec. 6	Nov. 25
Un. Bond & Share	15c	Jan. 15/42	Dec. 30
United Corp., A	37c	Nov. 15	Oct. 15
United Fuel, p. A	75c	Jan. 2	Dec. 20
Union Gas	20c	Dec. 15	Nov. 20
Wood, A. & J., pfd.	$1.75	Nov. 1	Oct. 20
Weston, G., pref.	$1.25	Nov. 1	Oct. 15
Zellers	20c	Nov. 1	Oct. 15
Do., pref.	37½c	Nov. 1	Oct. 15

†Payable in U.S. funds.
■Subject to approval of Foreign Exchange Control Board.
*Subject to approval of S.E.C.
*Initial.

Food Trade

(Continued from page 19)

success or failure of such pickling crops as cucumbers, tomatoes, cauliflower, etc. In the years ended Nov. 30, 1939 and 1940, these crops were abnormally low, and in the 1940 year this was accentuated by the heavy excise tax placed by the Dominion government on the imports of spirits used in the production of vinegar. This tax alone was stated by president C. L. Carsley to have cost the company approximately $100,000 in the 1940 business year.

While this tax has not been removed, in spite of many protests, a marked improvement in the 1940 pickling crop, together with heavy demands for the company's products has improved the outlook for the current year.

In line with recently reduced earning power the company has cut its dividend rate to one third, now paying 40 cents per annum against a 1939 rate of $1.20 per share. The dividend is covered at the 1940 rate of earnings which amounted to 44 cents per share, a sharp drop from the 1939 figure of $1.04.

Directors — C. L. Carsley, Montreal, pres.; A. L. Spalding, vice-pres. & gen. man.; P. L. Howell, sec.-treas.; W. E. Young, L. L. Carsley, J. Hobson, W. R. Binch, Toronto; E. A. Isard, Burlington, Ont.; E. L. Isard, Winnipeg; E. W. Howell, C. Fry, Norwich, Ont.

Catelli Food

In the absence of official comment, results for Catelli Food Products Ltd. in the year ending Nov. 30 are uncertain. The company has been able to increase domestic value, but export markets have been shut off.

Last year the company reported operating profit of $308,128, compared with $285,306 in the previous year. Net profit, however, declined to $118,615 from $179,105 in the previous year, because of increased taxation and depreciation provision. Earnings on the common stock amounted to $1.96 and $3.27, respectively.

Dividends are being paid at the rate of 50 cents annually. An extra disbursement of 25 cents a share was paid in 1939.

Operating economies have been effected by erecting a new plant, which began operation in May, 1940. Because of this outlay the company incurred bank loans of $300,000 and a secured call loan of $50,000. As a result working capital deficit of $69,271 was shown at Nov. 30, 1940, compared with working capital of $377,152 at the end of the preceding year.

Directors—Aimé Geoffrion, pres.; A. Bienvenu, vice-pres.; Paul Bienvenu, man. dir.; R. R. Dobell, W. W. Hutchinson, Hon. Alphonse Raymond, Henri Geoffrion, Montreal; J. A. Dery, Quebec; L. F. Burrows, Ottawa.
Sec.—Peirce Murphy.

Honey Dew Ltd.

Operating two restaurants in Toronto and a total of 35 shops, more than half of which are in the same city, Honey Dew Ltd. also has concessions and summer stands in Ontario, while its subsidiary, Honey Dew, Western Ltd., operates four shops, one in Winnipeg and three in Vancouver.

A shop modernization programme began in January, 1936, has brought the numerous leased properties of Honey Dew up to the most modern standards. In its latest fiscal year ended Oct. 31, 1940, gross sales increased more than a quarter of a million dollars, and despite sharply higher allowances for depreciation and taxes, net profits were more than doubled, earnings on the new common stock increasing from $1.30 per share to $2.70. In consequence of these improved earnings, the company was able to start dividends at the rate of $2 per share on the common stock payable quarterly.

Sales in the current year are reported again showing substantial increases, and after allowing for income and excess profits taxes, it is expected that net profits for the year may show an increase of perhaps 50% over last year. Operating costs have increased in common with other concerns of similar nature, and labor turnover has been a constant problem to management.

The modernization programme will be continued subject to government permit with three stores scheduled for alteration in the coming fiscal year.

Directors—E. P. Taylor, pres.; W. G. Lumbers, vice-pres.; D. H. Gibson, D. W. Smart, J. A. Gairdner, E. W. Bickle; Toronto; A. R. Kaufman, Kitchener, Ont.
Sec.—R. G. McMullen.
Treas.—H. N. Arnold.
Vice-pres. & gen. mgr.—H. L. Walker.

Muirheads Cafeterias

The past three fiscal years of Muirheads Cafeterias Ltd. ending last day of February, have shown steadily declining rate of gross sales, compensated by a rather larger drop in the cost of sales. As a result net losses before depreciation, repairs, replacements etc. have fallen from $14,212 in 1939, to $8,204 in the 1941 year.

The three Toronto restaurants have improved in earning power by reduction in rentals. It is stated that in the first part of the 1941 to 1942 fiscal year a substantial improvement in sales and earnings has been shown. The outlook for the balance of the year is said encouraging in the annual report released in August which covered two years of company operations.

The last dividend paid on the 7½% common $10 par preferred stock was July 1, 1932.

Directors—H. M. Millar, vice-pres. and sec.-treas.; E. G. McMillan, A. McDunn, J. M. Rutherford, Toronto.

National Biscuit & Confection

With head office in Vancouver, B.C., the National Biscuit & Confection Co. manufactures and distributes plain and fancy biscuits and confectionery.

Net operating profits for 1940 after provision for bond interest, depreciation and bad debts amounted to $15,163, of which income taxes absorbed $6,504, leaving a net profit for the year of $8,659. At the year end the company had working capital of $34,061.

Directors—L. H. Nicholson, pres. and man. dir.; H. S. Wilders, vice-pres.; Arnold Shiell, sec.-treas.; A. R. Fanning, T. G. Beattie, M. N. Young, Vancouver.

Willard's Chocolates

Control of Willard's Chocolates Ltd. is vested in Blue Ribbon Corp. which owns practically all the common and a majority of the preferred stock. The company manufactures many types of chocolate products and confectionery in Toronto where its plant has a combined daily capacity of 40,000 lbs. of chocolate and 30,000 lbs. of confectionery. A box factory with daily capacity of 40,000 boxes and a printing plant capable of producing 1 million labels a day are operated in connection with the Toronto factory.

Directors—C. E. Spooner, vice-pres. and man. dir.; F. G. Arnold, W. G. Henry, all of Toronto.

MISCELLANEOUS FOOD SECURITIES

Stocks

	Outstand. $	Earned per Share 1940 $	Earned per Share 1939 $	Div. Rate $	Price Range —1940-41— High	Price Range —1940-41— Low	Last Price	Yield %
Blue Ribbon:								
Pref. cum., red., par $50	1,492,500	*3.90	*4.61	2.50	42	30	31	8.1
Common, n.p.v.	63,475 sh.	0.45	0.68	nil	9¼	5	5½	..
*For years ended June 30, 1941 and 1940.								
Canada Starch:								
Pref. non-cum. par $100	3,069,100	11.40	11.29	7.00	110	108	108	6.4
Common, par $5	59,325 sh.	2.28	2.22	*0.50	9	6½	8½	..
*Paid in 1941 to date.								
Canada Vinegars:								
Common, n.p.v.	92,000 sh.	0.44	1.04	0.40	15½	5	8	5
Catelli Food Products:								
Pref. cum. red., par $15	38,374 sh.	3.09	4.67	0.75	14½	8	9	8.3
Common, n.p.v.	45,902 sh.	1.96	3.27	0.50	18	7	9	5.6
Honey Dew:								
Common, n.p.v.	20,645 sh.	2.70	1.30	2.00	25	14	15	13.3
Muirheads Cafeterias:								
Pref. cum. S. F. red., par $10	47,970	*d1.71	*d1.79	nil	1	1	...	..
Common, n.p.v.	78,710 sh.	*d0.15	*d0.15	nil	.05	.05	.05	...
*No provision made for depreciation.								
National Biscuit & Confection:								
Pref 7% non-cum., par $100	63,800	...	...	*	...	...	...	...
Common, par $100	25,000	...	...	*	...	...	...	...
*7% on preferred and common paid Feb. 20, 1941 for year 1940.								
Willard's Chocolates:								
Pref. 6½% cum., par $100	474,000	...	*1.03	nil	...	...	...	...
Common, n.p.v.	15,001 sh.	..	d2.38	nil	...	...	...	...
*Years ended June 30.								

Practically all common and majority of preferred owned by Blue Ribbon Corp.

Bonds

	Int. Rate %	Maturity	Outstand. $	Times Int. Earned After Deprec. 1940	Times Int. Earned After Deprec. 1939
Honey Dew:					
Conv. Debs.	6	1947	130,500	....	....
National Biscuit & Confection:					
1st Mortgage	6½	1950	*160,000	....	....

*$79,500 held by trustee for sinking fund.

DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND NO. 217

NOTICE is hereby given that a dividend of two per cent (being at the rate of eight per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Monday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1941.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., October 14, 1941.

The Dominion Bank

Dividend No. 236

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st October, 1941, making a total distribution of ten per cent for the fiscal year. The Dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of November, 1941, to shareholders of record of the 20th October, 1941.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 11th September, 1941.

The Bank of Toronto

Dividend No. 241

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of December next to shareholders of record on November 15th, 1941.

By Order of the Board.

F. H. MARSH,
General Manager.

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending November 29th, 1941, payable on the 1st day of December, 1941, to shareholders of record at the close of business on the 10th day of November, 1941. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, October 15th, 1941.

Sherritt Gordon Mines Limited

(No Personal Liability)
25 King Street West, Toronto.
DIVIDEND NO. 4.

Notice is hereby given that an interim dividend of 5 cents per share has been declared by the Directors of Sherritt Gordon Mines Limited (No Personal Liability) payable in Canadian funds on December 15th, 1941, to shareholders of record October 31st, 1941.

Under existing conditions, payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

October 15th, 1941.

Leitch Gold Mines Limited

(No Personal Liability)
DIVIDEND No. 13

Notice is hereby given that a quarterly dividend of two cents per share has been declared by the Directors of this Company, payable in Canadian funds, on November 15th, 1941, to shareholders of record at close of business October 31st, 1941.

By Order of the Board.

W. W. McBRIEN,
Secretary-Treasurer.

October 18th, 1941.

Minn. and Ont. Paper
Common
Bought and Sold
A. J. Pattison, Jr. & Co.
Royal Bank Bldg.—Toronto
EL. 5101

Ceiling Talk Hits Trading

Markets Debate Effect New Policy — Believed Bearish Factor

From Our Own Correspondent

WINNIPEG.—Trading in the Winnipeg grain market was brought almost to a standstill on Monday, while traders tried to estimate the implications of the new government policy on prices.

Before the Prime Minister's radio speech Saturday night there had been a general assumption that while control might come of other agricultural prices, wheat, because of the depressed level at which it was selling, might be left alone, and any price rises which might occur be left free to develop. When Mr. King's announcement omitted any reference to separate treatment for wheat, however, the first inclination was to suppose there would be a ceiling for wheat prices, presumably based on the 79 cents per bushel for December wheat and 82¾ cents for May wheat which had been registered on Oct. 4.

Then the attempt was made to work out the implications of the announcement that prices of goods sold for export would not be restricted, since most wheat is sold for export, and every one who sells wheat on the market is entitled to assume it is being sold for export.

Effect on Millers

If flour and bread prices in Canada are to be restrained by a ceiling, it will be necessary for millers to get wheat at a limited price. To make that possible it is not necessary for the open market price to be limited. The Canadian Wheat Board, which has plenty of wheat to spare, could sell wheat for domestic consumption to millers at any price level that might be determined upon by the government.

Actually, it is supposed, millers have already bought a considerable portion of the wheat they will require during the current crop year, due to the insistence of many of their larger customers on making flour purchases in advance at the beginning of the season. But if the millers are taken out of the open market, only an extremely thin market would be left, one that might have difficulty in sustaining itself close to the ceiling above suggested. Until some important new demands should come, the market could hardly be expected to get above that level.

Another consideration is that to impose any ceiling in the wheat market is to establish a bearish factor. The tendency would be to drive out those holders who would see no object in holding wheat unless some possibility of a rise could be envisaged. It would also tend to keep out purchasers who might be moved, by fear of some advance to come, to buy wheat in advance of their actual requirements.

If there is to be a ceiling in the wheat market, one definite price would hardly suffice, since wheat is traded in concurrently both for immediate delivery and for delivery in one, two or three specified months in the future. Any price limit would doubtless recognize the tendency for the more distant deliveries to command higher prices, as carrying charges tend to be absorbed in the price structure. It would have to recognize also the tendency which frequently develops for the immediate delivery, or cash, price to advance from day to day as a delivery month comes closer.

Week in Wheat

Unsettling Reports Send Prices Down

Russian Reverses Plus Confusion Over Price Ceiling Policy Hold Canadian Market at Low Level While Chicago Recovers

From Our Own Correspondent

WINNIPEG.—The weakness which had developed in Canadian wheat prices at the end of last week was largely attributed to a big price drop at Chicago, blamed on recent Russian reverses. Subsequent recovery at the latter point, however, was not reflected at Winnipeg early this week because by that time announcement of the new price ceiling policy for Canada had further upset domestic trade.

Until the whole situation clears, international and domestic, little market movement is expected in either direction.

Chicago Connections

There has been no really necessary connection between wheat market movements at Chicago and Winnipeg. United States and Canadian wheat are not competing with each other in world markets. Although the former country has a large surplus of wheat no attempt is being made to get it into export channels. The surplus is being absorbed by Washington under what is described as a commodity loan plan, but what is in essence an option for the grower to sell at specified levels to the government for wheat as well as for certain other farm commodities.

* * *

Spreading Ventures

But many traders at Chicago observing a difference amounting to as much as 50 cents a bushel between Chicago and Winnipeg had decided that the discrepancy was too great to be long continued. They had put on spreading trades between the two markets, buying Canadian wheat in Winnipeg and selling American wheat in Chicago. Their wisdom appeared to be justified when a sharp break took place in Chicago accompanied by only a minor break in Winnipeg. The spread narrowed by 12 to 15 cents a bushel. Cashing in however was not quite so simple since this involved selling in Winnipeg in a market which has no great capacity at present for absorbing wheat. However, a good deal of wheat was liquidated.

* * *

Chicago Gains

The Chicago market gradually regained some measure of strength, among the causes contributing to which was congressional discussion as to proper farm price levels.

Secretary of the Treasury Morgenthau had expressed his opinion a short time ago that wheat prices were getting to be unduly high, and had suggested the U. S. government might act to bring them down, possibly by permitting the imports from Canada. But on Tuesday Secretary of Agriculture Wickard told a committee of the House of Representatives that farm prices were still too low, and that ceilings placed over price levels of farm products should not be less than 110% of parity, instead of the basis which up to a short time ago had represented the limits of the demands of the farm bloc at Washington.

Grain prices at Chicago moved up sharply as a result. The Winnipeg market, however, was in no position to respond to that lead, for already the policy of the Canadian Government had been announced to include establishment of farm price ceilings on the basis of prices which had already been recorded.

Company Reports

Distillers-Seagrams

Distillers Corporation-Seagrams Ltd. reports consolidated net profit in the fiscal year ended July 31, 1941, of $8.1 millions. This compares with $9.7 millions in the preceding year.

During the past year net sales amounted to $133.8 millions, largest ever reported by the company, and comparing with $101.8 millions the year before. Out of the 1940-41 income the company set up a contingency reserve of $1 million. Inclusion of this sum would have left net profits at approximately the same figure as in 1940, when the company earned $5.08 a share on the common stock.

Consolidated net working capital at the end of last July totalled $46.4 millions, an increase over the previous year of $2.5 millions. Cash and accounts receivable were much the same, while inventory increased from $41.3 to $50.1 millions. Plant investment advanced from $20.7 to $24.3 millions. This was reflected in an increase in bank notes from $7 millions to $15.5 millions and advances under the bank credit agreement from $5 millions to $8 millions. Preferred stock outstanding at the end of the year totalled $15,797,000 compared with $16,030,000 at the close of the previous year.

During the year the company purchased the assets of Brown-Vintners Co., Wilson Distilling Co. and the balance of Hunter Distillery not previously owned by the company.

Comparative figures from the profit and loss statement follow:

Consol. Statement of Profit and Loss
Years Ended July 31
(Expressed in United States Currency)

	1941 $	1940 $
Sales	133,850,357	101,798,653
Less: Cost of goods sold	100,168,529	70,567,134
Gross income	33,681,828	31,231,519
Add: Other income	243,057	629,787
Net revenue	33,924,885	31,861,307
Less: General exps.	19,100,158	17,288,164
Directors' fees	21,000	1,000
Executive salaries	471,684	431,937
Legal fees	311,405	271,625
Interest (net)	455,996	213,910
Depreciation	185,150	163,470
Amort. of contracts	42,168	....
Loss on cap. assets	136,644	406,971
Loss on invests.	1,019	95,938
Inc. & profits tax.	4,043,314	3,192,319
	9,166,346	9,795,972
Contingencies	1,000,000	....
Exchange adjusts.	56,334	79,174
Net profit	8,110,012	9,716,798
Note:—Deprec. provided during the year amounted to	1,346,340	1,135,886
Of which there was charged to cost of production	1,161,190	972,416
And bal. as above	185,150	163,470
	1,346,340	1,135,886

Power Control Limits Growth

Symington "Suggests" Abandoning Rural Extensions For Duration

From Our Own Correspondent

MONTREAL. — Following the "suggestion" of H. J. Symington, Federal Power Controller construction of rural lines in Canada has been virtually suspended for duration of the war.

The request applies particularly to the Ontario Hydro-Electric Power Commission which had planned "rather an extensive" programme of rural construction. Hydro is complying with the request.

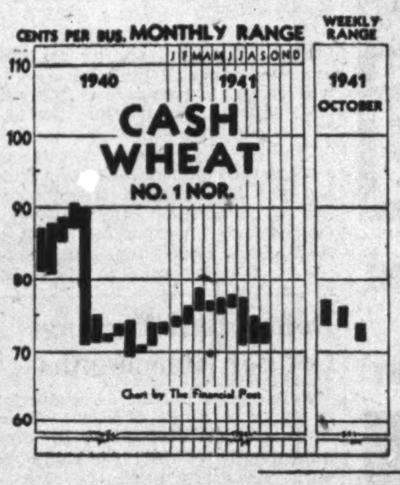
As yet, said Mr. Symington, he had not made the same suggestion to other provinces because they had not planned rural extension. However, he added, in the event any of the other provinces made any plans to start such a programme the suggestion that they wait until after the war would be made to them also.

Urban Areas Unrestricted

Mr. Symington added that the restrictions would not apply to the same extent to urban line extensions, as transformers were not needed so much in the city extensions.

Commenting on the development, J. W. McCammon, Controller of the Quebec Public Service Board, said that Quebec province's rural line extension had been pretty well completed for this year. Further, he said, Quebec would fall in line with the Power Controller's wishes in curtailing future extensions. He figured the past year's rural extensions amounted to around $150,000.

Wheat Prices



Cash Quotations

	For Week Oct. 20 High	For Week Oct. 20 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.73⅞	.71⅝	.76¼	.73½
1 Nor.	.73⅞	.71⅝	.76¼	.73½
2 Nor.	.71	.68⅝	.73⅜	.70⅝
3 Nor.	.68⅞	.66⅜	.72	.69¼
4 Nor.	.67⅞	.65⅝	.70¼	.67½
5 Wheat	.66⅜	.64⅛	.68¾	.66
6 Wheat	.65⅜	.63⅛	.67¾	.65
Feed	.59⅞	.57⅜	.62¼	.60⅛
Oats:				
2 C. W.	.48⅜	.45	.49¾	.48
3 C. W.	.44⅞	.41¼	.45⅞	.44¼
Barley:				
1 Feed	.54¼	.49¾	.55⅜	.52⅞
2 Feed	.53⅜	.47⅞	.55	.52¼
Flax:				
1 C. W.	1.52	1.45⅛	1.57½	1.52½
2 C. W.	1.47¾	1.41⅛	1.53¼	1.48⅛
Rye:				
2 C. W.	.57¾	.51⅛	.61⅛	.57½

Winnipeg Grain Futures

Week to Oct. 20, 1941

Crop year from Aug. 1, 1941 High	Crop year from Aug. 1, 1941 Low		Open Oct. 14	High for week	Low for week	Close Oct. 20	Close year ago
		Wheat					
.77⅞	.71¾	Oct.	.73⅝	.74¼	.71¾	.72⅛	.70¼
.79	.72⅝	Dec.	.74⅜	.75½	.72⅝	.73⅛	.71⅝
.82¾	.76⅝	May	.78⅝	.79⅛	.76⅝	.77⅛	.75⅞
		Oats					
.50⅛	.37¾	Oct.	.48⅜	.48¾	.44	.44⅝	.34
.48½	.35⅛	Dec.	.46⅛	.46⅛	.43½	.44¼	.30¾
.47⅞	.38⅛	May	.45¼	.45¼	.42	.43⅜	.30½
		Barley					
.62¾	.47⅞	Oct.	.56⅜	.58¼	.53¼	.53⅜	.40⅞
.61⅝	.46⅛	Dec.	.55⅞	.57⅜	.53⅜	.54	.39⅛
.61¼	.49⅜	May	.56¼	.57⅝	.53½	.54¾	.39⅝
		Flax					
1.64	1.40¼	Oct.	1.52	1.53	1.45	1.49	1.18⅛
1.63	1.40½	Dec.	1.43½	1.50	1.40¼	1.46	1.15⅜
1.64½	1.40¼	May	1.42½	1.50½	1.40¼	1.45½	1.19⅜
		Rye					
.65⅞	.51¼	Oct.	.57⅝	.58⅛	.51¼	.52¾	.43¾
.66	.50¾	Dec.	.57½	.58⅜	.50¾	.53¾	.44⅞
.67⅞	.51¾	May	.59¾	.60⅝	.52⅝	.55⅛	.48⅛

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Mexican Light & Power Bond Deal Approved

At the postponed meeting of holders of the bonds of the Mexican Light & Power Co., the plan of arrangement was agreed to.

Under the plan, the date of payment of principal on each of the issues of first mortgage bonds has been extended until Feb. 1, 1950, the rate of interest to continue at the present 5%. Junior security issues will be placed on an income basis under the terms of the plan.

LAKE OF THE WOODS MILLING COMPANY, LIMITED

AND ITS WHOLLY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AS AT 31st AUGUST, 1941

ASSETS

Current Assets			
Cash on Hand and in Banks		$ 62,111.13	
Investments (Market Value $16,280.00)		15,000.00	
Accounts Receivable After providing for Bad and Doubtful Debts		2,288,422.31	
Inventories Valued as follows: Grain at approximate Market Value. Flour and Feed at approximate Manufactured Cost. Bags and Materials at approximate Manufactured Cost and approximate Cost Price respectively		2,007,552.05	$4,373,085.49
Deferred Charges to Revenue			22,197.50
Sundry Investments—Grain Exchange Seat, etc.			6,532.00
Investment in Controlled Company—Allied Industry: (Held by the Trustee for the Bondholders)			611,193.87
Property Account Land, Water Power, Buildings, Machinery and Equipment at Cost, less depreciation applied		$6,780,260.91	
Less: Reserve for Depreciation		2,195,601.07	4,584,659.84
Goodwill			250,000.00
			$9,847,668.70

LIABILITIES

Current Liabilities			
Bank Loans secured as below and under Sections 86 and 88 of the Bank Act		$1,859,000.00	
Accounts Payable		371,429.85	
Bank Overdraft		71,231.65	
Dividend Payable—1st October, 1941		29,537.80	
Provision for Federal, Provincial and Municipal Taxes		539,697.32	$2,870,896.62
Insurance and other Reserves			149,749.59
First Mortgage Bonds, 4½% due 1st May, 1946. Issued and held by the Banks as collateral to Loans	$2,500,000.00		
Capital Stock Authorized: 200,000 Shares of No Par Value. 15,000 Shares of 7% Cumulative Preferred Stock of $100. each			
Issued: 147,689 Shares of No Par Value		2,953,780.00	
15,000 Shares of 7% Cumulative Preferred Stock of $100. each		1,500,000.00	4,453,780.00
Earned Surplus			2,373,242.49
			$9,847,668.70

PROFIT AND LOSS AND SURPLUS ACCOUNT FOR THE YEAR ENDED 31st AUGUST, 1941

Balance—at 31st August, 1940			$2,176,769.64
Add: Net Operating Profit for the year ended 31st August, 1941		$1,272,132.54	
Less: Interest	$ 105,753.54		
Depreciation—including Special Depreciation allowed on new Elevator Annexes	196,213.79		
Provision for Federal Income Taxes	443,939.56		
Directors' Fees	7,790.00		
Executive Salaries	75,709.50		
Legal Fees	1,705.94	831,112.33	
		441,020.21	
Dividends from Investment in the Controlled Company	35,991.00		
Income from Investments	1,688.44	37,679.44	478,699.65
			2,655,469.29
Deduct: Dividend on Cumulative Preferred Stock		105,000.00	
Dividend on Common Stock		177,226.80	282,226.80
Balance—at 31st August, 1941 per Consolidated Balance Sheet			$2,373,242.49

Contingent Liabilities:

Guarantee of $1,041,500.00 5½% Bonds of Inter City Baking Company, Limited.	
On Customers' Paper under Discount:	
Canadian and other dollar drafts	$113,344.78
United Kingdom and other Sterling Drafts	£349,500:13:5

On behalf of the Board: WALTER MOLSON, P. F. SISE, Directors.

Montreal, 7th October, 1941.

We have examined and audited the Books and Accounts of the Lake of the Woods Milling Company, Limited and of its Wholly Owned Subsidiary Companies for the year ended 31st August, 1941.

The Investment in the Controlled Company appears in the Balance Sheet at what, in our opinion, may be considered a fair valuation. The dividends paid by this Company were less than its earnings during the period under review.

The Inventories of Stocks on Hand have been determined and certified correct by responsible Officials of the Companies, and we have satisfied ourselves that the basis of valuation is as stated.

Subject to the above remarks, we report that we have obtained all the information and explanations we have required, and that, in our opinion, the above Consolidated Balance Sheet as at 31st August, 1941, is properly drawn up so as to exhibit a true and correct view of the state of the Combined Companies' affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Companies.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants, Auditors.

Week in Mining

Sees Gold Kept At $35; Wants Standard Back

Continuation of $35 Price Part of U. S. Policy Now But Co-operation Thought Necessary For Restoring Gold Standard Later

Discussing gold editorially, the New York Journal of Commerce recently made two statements concerning U.S. gold policy, of particular importance to Canadians. They portray what Americans are thinking about gold with their country engaged in an all-out war effort. First of all the Journal of Commerce affirmed its faith in a continuation of the $35 price of gold during wartime.

"So long as the present emergency continues," the Journal of Commerce stated, "the United States government will doubtless continue to buy at $35 an ounce all gold offered by us by British Empire countries, Soviet Russia or Latin America."

About the position of gold after the war the Journal of Commerce was not so certain. It doubts if the United States will continue to absorb for any extended period virtually the entire world's production of gold. However, the writer saw concerted international co-operation and a return to the gold standard as necessary after the war. With the U. S. the world's chief gold holder and the British Empire the world's chief gold producer, such co-operation would seem to present no insurmountable barriers.

Mine Gets Breather

A marginal mine in Ontario's Larder Lake camp is feeling very happy about the fixing of prices and the freezing of wages. It is a mine that was gradually seeing its narrow margin of profit being eaten away by the steady increase of costs. The cost-of-living bonus of 46 cents a day, for instance, meant an extra 23 cents a ton in costs to this company, bringing it close to the point of losing money.

With prices and wages fixed, the management is more hopeful than for some time that operations can be continued during the war. There is a large tonnage of ore available and the company turns out close to a million dollars in gold a year. It was possible that loss of a few thousand dollars a year would mean the loss of this gold production for financing the war effort, but fixing of prices and wages may now enable the operation to continue.

* * *

New Zinc Refinery?

From Montreal comes a dispatch that conversations are taking place concerning a zinc refinery for Quebec province. The possibility of such a refinery has cropped up in eastern Canada a number of times over a period of years but so far none of the parties which have investigated the situation have seen their way clear to going ahead with the big capital expenditure that would necessarily be involved.

Apparently the new conversations have been stimulated by the very active market for zinc that has grown up in the United States since the speeding up of that country's war effort. It is realized, however, that the high prices existing in the United States cannot be extended for any length of time except with continuation of the war. But on the other hand, the need for increased zinc production is so pressing, it is natural to assume the Dominion would give special tax consideration to any party or parties willing to undertake the construction of refinery in eastern Canada.

* * *

Base Metals Active

Signs continue to suggest that development of new base metal mines will soon take a sharp upturn. In the Sudbury district, Ontario Nickel now joins Nickel Offsets in the carrying out of an active development programme looking toward production. In each case drilling has indicated nickel-copper ore and the managements plan to determine its extent by underground work.

Apparently the deal on the zinc-gold property of Quebec Manitou in the eastern Siscoe-Lamaque area continues to be held up, pending a final ruling on the tax write-off situation. If a zinc refinery should be decided on, as mentioned above, it should assist Quebec Manitou and other properties such as Calumet that have a comparatively large zinc content in their ore but which are not now operating.

* * *

National Shaft Finished

The decks appear to have been cleared for broader work at National Malartic Gold Mines in the near future.

Sinking the National shaft to its objective has now been completed and as soon as the sump is finished, crosscutting to the north ore zone will begin. Two crosscuts will be run; one at the 525-ft. level and one at the 700-ft. horizon.

Several months will be required to complete the 600 ft. of crosscutting from the shaft at each level and it is likely that before crosscuts reach their objective, work in ore will be under way from the Sladen drive at the 700-ft. horizon. This drive will be continued for several weeks more, then diamond drilling will be commenced. A series of short horizontal holes will be drilled to explore the ore zone.

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Sink Big Shaft At Gold Fields

New Opening Will Have Five-compartment Size Indicating Big Plans

That a mine making effort of major proportions is planned by Malartic Gold Fields is indicated by the announcement of J. P. Norrie, vice-president, that the new shaft to be put down in the western area will be of five-compartment size.

Very few gold mine shafts of five compartments have been put down on a mining property as young as Malartic Gold Fields but apparently the management feels it will be better to put down a really large opening at this time than to perhaps be faced later with the necessity of sinking still another shaft.

Ore Estimate Confirmed

Mr. Norrie's report for the three months ended Sept. 30, 1941, confirms the disclosures made by drilling in the western section. On this subject Mr. Norrie states:

"Surface diamond drilling, beginning at a point 2,200 ft. west of the shaft, in 16 consecutive drill holes, cut a new ore zone containing in excess of 6,000 tons of ore per vertical foot of better than $10 grade to the 350-ft. level. Two diamond drill holes are still employed in the extension of the zone farther west."

Reporting on the progress of diamond drilling to the west, Mr. Norrie states that the ore zone has taken a sharp turn to the north and that consequently two drill holes put down from the south missed the zone entirely. Further drilling has now picked up a new ore lens, however. Mr. Norrie discusses the current drilling programme as follows:

"My report of Sept. 10, 1941, on the new westerly ore body of Malartic Gold Fields covered the drilling up to hole number 153 which cut two ore sections of 98 ft. of $10 and 40 ft. of $4.20.

"Just west of Hole 153 the ore zone took a sharp turn to the north so that drill holes 154 and 155 drilled at intervals of 100 ft. to the west collared in the massive greenstone to the south of the ore zone, completely missed it.

"Drill Hole 156, drilled in the plane of Hole 154 but in the opposite direction from south to north, cut 9 ft. of 0.25 oz. in a new ore lens. Hole No. 157, drilled 200 ft. to the west or 100 ft. west of No. 155, cut the westerly extension of this lense in 22 ft. assaying 0.25 oz.

"Holes 158 and 159 are now being drilled, also from south to north, at 300 and 500 ft. respectively west of Hole No. 157.

"The sharp turn in the ore zone between Holes 153 and 156 may be accounted for by a fault or a sharp fold so common in the area."

Arntfield Work Shows New Ore

Although it appeared Arntfield Gold Mines would have to close down in the middle of 1940 and "a desperate effort" was being made to liquidate indebtedness, leasing of the company's mill to Senator-Rouyn gave the company a monthly income which allowed undertaking a new ore search.

At first the ore hunt was unsuccessful but eventually drilling indicated ore in the downward extensions of the 2602 and 2625 zones at No. 2 shaft. The No. 2 shaft was sunk for new levels at 775, 925 and 1,075 ft. and development of indicated ore sections at depth is under way. Further ore has also been developed at No. 3 shaft.

Net loss for 1940 was $43,305 compared with $55,848 for the preceding year. Excess of current liabilities over current assets was lower at $43,054 at Dec. 31, 1940, compared with $53,858 a year earlier.

Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Bullion sales	276,337	386,232
Less: Marketing chgs.	3,189	4,701
Add: Custom revenue	41,438	......
Total revenue	314,585	381,531
Less: Development	21,484	26,112
Mining	143,309	223,984
Milling	85,109	91,625
Mine gen. expense	45,200	42,338
Admin. & gen. exp.	16,723	1 6,655
Quebec corp. tax	2,052	3,020
Int. & exchange	2,952	3,678
Surface exploration	9,543	......
Other expense	1,260	......
Operating loss	13,047	25,881
Add: Depreciation	30,258	29,967
Net loss	43,305	55,848
Less: Prev. surplus	*50,170	5,678
Deficit forward	93,475	50,170

*Deficit.

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Queenston and Bonetal Look Like Early New Producers

Two big mining camps—Kirkland Lake and Porcupine—appear likely to each add a new gold producer in the not too distant future. In Kirkland Lake, it is expected that Queenston Gold Mines will start small shipments of development ore to the Upper Canada mill when it gets the old Murphy workings reopened, while Bonetal Gold Mines, in Porcupine, is expected to start shipments of ore to the Broulan mill about Nov. 1.

Work at Queenston is being financed by Upper Canada Mines and associates while Bonetal work is being financed by Broulan Porcupine Mines and its associates.

Use of a parent company's mill is expected to allow production to be reached by both Queenston and Bonetal at a much earlier date than would otherwise be physically possible. If underground results at Queenston stand up, the company may set up something of a new record for Canadian gold mines in quickly reaching production. It is only a matter of months since surface diamond drilling was started by Queenston and it may not be many more months before a flow of development ore is available.

Bonetal Gold Mines expected that initial shipments of ore to the Broulan mill might start at around 100 tons daily although no recent statement has been issued to indicate whether shipments will be started as early as first anticipated. Broulan took steps to increase its milling capacity from 350 to around 500 tons daily to allow treatment of Bonetal ore. A number of items of used equipment were also purchased by Broulan to allow treatment of up to 650 to 700 tons of ore daily in the Broulan mill if results at Bonetal should warrant increasing capacity to that size.

With the decision made to proceed underground as soon as a mining plant can be secured, Queenston Gold Mines has suspended its surface drilling which was reported successful in indicating good widths of medium grade ore in a zone which now appears to have a length of at least 2,500 ft. Queenston plans call for deepening of an old shaft from 100 to 300 ft. and opening of levels at 150 and 275 ft. depth to explore this south zone which has a series of parallel ore lenses along a length of 500 to 600 ft. from latest work.

Queenston Possibilities

Drifting from the Queenston shaft in some of higher grade sections may give sufficient ore to allow shipment of perhaps 50 to 75 tons of $12 to $15 ore daily, providing revenue to help finance underground work.

Work at Bonetal, of course, is much further advanced than that at Queenston as work has been under way on the Bonetal property for well over a year. The shaft, started in December, 1940, has been completed to its objective at 600 ft. with levels established at 150, 275, 400 and 525 ft.

Diamond drilling carried out at Bonetal indicated two ore zones. The No. 1 or more southerly zone is believed to be the westward extension of the Hallnor zone and drilling indicated its length on the Bonetal property at 640 ft. Old drilling for 420 ft. of this length indicated an average of 0.30 oz. across 6 ft. Drilling also picked up a new ore zone in the greenstones to the north with a section 1,100 ft. long extending west from the Hallnor boundary carrying gold values.

Opening up of ore in underground work has been reported by the company but full details are not yet available. Ore was being opened up in the No. 1 zone at the 275-ft. horizon and by now work should be in the same zone at the 512-ft. or bottom level. Some time ago The Financial Post reported that visible gold had been cut in the north zone and it seems likely that further results on work in this area will be available shortly.

Madsen Rouge d'Or Drift Now in Interesting Stage

Heading at 350-ft. Horizon Within 200 ft. of Boundary With Important Drilling Disclosures a Further 700 ft. to North

From Our Own Correspondent

RED LAKE.—Drifting northeast at the second or 350-ft. level of Madsen Red Lake Gold Mines has now been advanced within 200 ft. of the boundary of the Rouge d'Or property acquired earlier this year. This makes the heading now within 900 ft. of where surface disclosures and drilling indicated ore on the Rouge d'Or ground with all the intervening ground potentially important for the finding of ore bodies.

Horizontal drilling from the drift has already disclosed three new north ore bodies along a length of 200 ft. with widths up to 10 ft. Typical high grade sections were noted in the ore intersections.

Depth Results Impress

On the 500-ft. level, where first work gave rather disappointing results, later work gave better returns and the main stope shows a length of 350 ft. and an average width of 30 ft. Work on the 650-ft. level has been showing ore similar to the highly important ore developments on the level below. Drift development and close drilling indicate upward of 1,600 tons of ore to the vertical foot of mine average grade.

Two new levels were established earlier in the year at 950 and 1,100 ft. Crosscutting on the 1,100-ft. level is now under way and work is expected to get under way at the 950-ft. level by the end of the month. Crosscuts will traverse distances of 300 and 370 ft., respectively, from which location drifting on line will be advanced to the northeast and parallel to the east-dipping folded porphyry contact zone. Initial work in the ore zone at these new horizons is expected early in 1942.

Test South Austin at Depth

On the fourth level, drifting is now under way to the southwest to explore the downward extension of the South Austin ore body with a distance of 1,000 ft. to be traversed before reaching it. On the second level, stoping is being carried on over a length of 300 ft. with the ore grading well above mine average across an average width of 14 ft.

With current profits being realized, the treasury position of the company is being built up rapidly, it is stated. Current profits may be used for expanding or perhaps doubling the mill to 800 tons daily in 1942, a plan under consideration. Aggressive and widespread exploration is being proceeded with at the present time in preparation for expansion of production facilities.

Production for the six months ended Sept. 30, 1941, was $620,205 from 73,457 tons of ore, an average recovery of $8.44 a ton. Operating profits for the same period were $287,194.

McLellan Turns To North Zone

As results on the 300-ft. level at McLellan Gold Mines have so far failed to reveal the downward extension of ore values found on the first level, it has been decided to concentrate much of further efforts on opening up of the north ore zone indicated in surface drilling.

Drifting at the 150-ft. level, as reported previously, opened up a length of 30 ft. averaging $8.46 per ton across drift width. This has been followed by a further 70 ft. of lower values, with a 100-ft. length running 0.15 oz. across drift width.

On the 300-ft. level, values have been generally low and well below ore grade although one slash assay of 0.8 oz. across 2.5 ft. was secured. It is possible that the 300-ft. level work has been off the section carrying the best values and flat drill holes are being put out north and south to get a more comprehensive idea of the occurrence at this level. The second hole put out—one to the north—has returned $3.85 across 12 ft., starting at 6 ft. in the hole.

The crosscut going out at the 150-ft. level is expected to reach the ore zone around the end of the week. A flat drill hole 50 ft. west from where the crosscut is now being driven returned a value of $9.77 over 6 ft. in this zone.

A bulk sample of 40 tons has been sent to the Bankfield mill but returns for this have not yet been received.

Wampum Cuts Ore in Drive Claims Rich Surface Find

Pioneering mine development in the Wampum Lake area, 45 miles north of Fort Frances, Ont., Wampum Gold Mines reports two new disclosures in its current work, The Financial Post is informed.

Following completion of the shaft to the 100-ft. horizon, crosscutting to the south ore zone there has been carried out revealing a width of 22 ft. averaging $7.77 per ton, it is stated. Taking narrower widths, the crosscut values could be termed $9.24 across 16 ft., $10.90 across 13 ft., $14.25 over 9 ft., or $20.75 per ton across a width of 6 ft.

Shaft Nears Objective

Shaft sinking has been resumed and it is expected that the opening will reach its objective at the second or 225-ft. level before the end of the month.

The company has now released some details on results secured from the new high grade "strike" made on its property. This discovery, located on a long, narrow island, is in a break traced for a length of 500 ft., company reports. While assays up to $50 per ton are said to have been secured at the west end, work has been concentrated at the east end where the management states a length of 60 ft. averages $250.73 per ton across an average width of 14 inches.

McRae Made Discovery

The new discovery was made by Ken McRae, employed by Wampum. As the discoverer already held a substantial share interest in the company, the new discovery on which 18 claims has been staked, is said to have cost the company nothing in the way of cash payments or shares.

Diamond drilling has been recommended to test the downward extension of the new surface discovery with closely spaced shallow holes for first work. This is expected to be followed by deeper drilling as more information is secured as to size, length and values, it is stated.

The 18 claims on the new discovery have now been transferred directly to Wampum Gold Mines, increasing the company's holdings to more than 2,000 acres in the area.

Management at Wampum is now under the direction of J. C. Houston.

Dome Mines Earnings Off For Nine Months

Reflecting a decline in production revenue, earnings of Dome Mines show a slight decline for the first nine months of this year compared with the corresponding period of last year.

Net profit for the period was $2,901,298 equal to $1.49 a share compared with $3,037,621 or $1.56 a share for the first nine months of 1940.

Bullion production of $5,867,625 for the first nine months of 1941 was secured from milling of 470,100 tons of ore, an average recovery of $12.48 a ton. In the first nine months of 1940, output was $5,955,140 from 465,000 tons of ore, an average of $12.81 per ton.

Non-operating income has helped the company to maintain its position in 1941. Revenue from this source was $470,527 against $453,381 in 1940.

McIntyre Shows Profit Holding

Net profit of $1,627,449 or $1.02 a share reported by McIntyre Porcupine Mines for the three months ended Sept. 30, 1941 was slightly higher than the $1,596,992 or $1.02 a share the previous year.

Reflecting a smaller gross income and higher depreciation charges, however, net profit of $1,629,256 or $2.04 a share for the six months ended Sept. 30, 1941, the first half of the company's fiscal year, was a decline of 41 cents a share from the same period of the previous fiscal year.

Gross income amounted to $4,853,697 in the six months ended Sept. 30, 1941, compared with $5,094,896 for the same period of 1940.

Results Satisfy At Bralorne

Production Lower in Latest Quarter—Buccaneer Producing

Progress of work and results secured in exploration of intermediate levels between the 14th and 20th at Bralorne Mines "have been very satisfactory," the company states in its report for three months ended Sept. 30, 1941.

Development during the third quarter was largely confined to work in this block of new levels and the management says that a long period will be required to develop this ground fully and prove its full potentialities.

Ore Grade Lower

Production for the September quarter was slightly lower, amounting to $897,897 from 46,398 tons of ore, an average recovery of $19.35 per ton. In the preceding three months, $977,630 had been recovered from 47,862 tons of ore, an average of $20.50 a ton. While no statement is made concerning the drop in average recovery, it is possible that milling of a larger proportion of development ore with the opening up of new levels may have caused some dilution in grade.

Buccaneer Ships Gold

Milling operations were started at Buccaneer Mines following completion of the mill in August. The plant is still going through a tuning up period with 15 to 20 tons of ore daily being put into the mill. The first shipment of bullion was made the latter part of September.

The search for new properties of merit is being continued and work is currently being done on several prospects.

PRESTON OUTPUT HIGHER

An increase in both tonnage and total recovery was experienced by Preston East Dome Mines in September. Output for the month was $203,370 from 17,568 tons of ore for an average recovery of $11.58 a ton compared with $189,636 from 17,080 tons of ore and an average recovery of $11.10 per ton the previous month.

Privateer Mine lost 2½ days' milling time in September but due to treatment of a higher grade ore, production did not show much of a decline for the month:

1941:	Tons milled	Tons daily	Recov.* per ton	Total* recov.
September	2,244	75	$37.14	$83,331
August	2,624	85	33.16	87,012

*Gold at $35.

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Week in Oils

Field Extended Again

From Our Own Correspondent

CALGARY.—Pushing the proved area of Turner Valley still another half mile north and west, Major Oil No. 3 well was placed on production last week end, with indication of developing good production. The well was kicked off with an initial yield of between 15 and 18 bbl. hourly.

Given an initial wash treatment of 750 gallons of "mud acid," the well came back with a flush yield of 32 bbl. hourly, and settled to around 27 bbl. per hours. Actual yield in a 24-hour run was 667 bbl.

Early this week the well was receiving initial treatment of regular acid. There is every reason to believe the regular acid will boost the well into the same class as Major Oil Investments No. 2, Ace Royalties No. 1 and Miracle Royalties No. 1 —extension producers brought in during the past two and a half months.

* * *

North Wells Boosted

Authorization for increased allotments for three north Turner Valley extension wells was signed by J. J. Frawley, acting chairman of the Conservation Board, this week. The revised allotments, which are retroactive to Oct. 1, replaced "temporary quotas" given these wells in the October schedule, and have been computed by board engineers on the basis of results of board tests recently completed at these wells.

Major Oil Investments No. 2, the field's most northerly well on steady production, becomes the field's largest producer under the revised allotments. Its October quota has been raised to 998 bbl. per day, replacing the temporary quota of 781 bbl. The well was placed on production the middle of September.

Miracle Royalties No. 1 has received a boost to 903 bbl. per day, replacing the temporary allotment of 784 bbl. Under its revised quota the well ranks as second largest producer in the field. It was placed on production early in August. Ace Royalties No. 1 has received a boost in October allotment from the temporary quota of 783 bbl. to 815 bbl., taking its place as third largest producer in the field.

* * *

New Home Programme

First details of the long expected Home Oil Co. new development programme were made known this week with the announcement of locations for new north extension tests.

Home Millarville No. 11 will be drilled in the area newly proved by the Major Nos. 2 and 3 wells. Location is in L.S.D. 16 5-21-3w5, quarter of a mile due south of Major No. 3, the same distance west of the Major No. 8 location, and three eighths of a mile northwest of Major No. 2.

Home Millarville No. 12 will be drilled about five miles north and west of the current producing limits of the field. Location is in L.S.D. 4 36-21-4w5, some five miles north and west of Major No. 3, and about one mile south and east of the Major No. 5 location. The Home No. 12 location is in the centre of extensive Home Oil acreage, and its results will have a vital effect on the future of the company, as well as a very vital effect on the future of the Turner Valley field.

As yet, the location for Home Millarville No. 10 has not been announced. Field reports indicate, however, that the No. 10 site is likely to be an offset of Home Millarville No. 8, with the site either in L.S.D. 13 33-20-3w5 or in L.S.D. 15 33-20-3w5.

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Price and Wage Fixing Protects Mines

With Fixed Gold Price, Contract Metal Prices, Rising Costs Serious

By **GORDON M. GRANT**
Staff Writer, The Financial Post

Fixing of prices and wage rates throughout the entire Canadian economy is being received—at this early stage—as good news for Canada's mining industry.

For gold mining, the new prices and wages policy represents the first ray of sunshine in the dilemma which gold mining had faced: Increasing costs with little or no possibility of an increase in the selling price for gold.

For base metal mines, the new policy means a practical continuation of the status quo as far as metal sold in the United Kingdom and at home is concerned, with the possibility remaining of a greater profit on any metal we can ship to the United States.

During the last nine months, cost experience in the gold mining industry had begun to duplicate the rising cost trend of the last war although fortunately on a relatively minor scale. Costs were rising with an apparently increasing momentum. And nothing more was being received by gold beyond the 10% increase in the price of gold resulting from exchange differential. Incidentally, this exchange premium was already being skimmed off by the excess profits tax. Moreover, gold mines were having difficulty securing equipment to increase production as an offset to higher prices of supplies and the cost-of-living bonus.

With this background, no wonder some gold mining company managements were inclined to feel uncertain about prospects for the industry, especially with labor in the Kirkland Lake camp demanding large wage concessions beyond the cost-of-living bonus.

But Canada's price-fixing and wage-fixing policy are going to mean a new view of life for the gold mines, an essential industry in our war finance but an industry which might have taken a serious "blow on the chin" if prices and wages were to continue upward indefinitely.

If the new prices and wages policy is implemented to the full it appears that gold mining's margin of profit will be more or less stabilized, subject only to taxation changes and the fortunes of the individual mining company.

Gold mining, like other industries, is making a contribution to the war effort through heavy tax payments. The only possible taxation relief in sight during the war, however, is some possible alleviation of the excess profits tax for individual companies and special tax consideration that may be granted to secure a greater gold output.

Shortages A Danger

One real danger still exists for the gold mines but it is a danger that existed previously and is no greater now. The danger is one of shortages of supplies of all kinds, shortages of labor. These are still possible with price fixing. But the immediate possibility of shortages does not appear serious. Shortages of mining and milling supplies have been guarded against by the gold mines ever since the outbreak of war by laying in supplies ahead. The government realizes the importance of these supplies and the gold mines will undoubtedly continue to enjoy a good priority in material supplies.

The hand of gold mines in dealing with unsettled labor conditions in northern Canada has undoubtedly been strengthened by the freezing of wages. Union recognition and minor concessions seem to be the only things the C.I.O. can still fight for in Kirkland Lake. It is held doubtful if miners will want to strike for these things alone. It was the promise of higher wages that secured the miners' support.

Labor and Gold Mines

The possibility of a labor shortage in gold mining cannot be ruled out but it is the same problem that faces practically every other industry.

A great many gold miners have enlisted in the armed services; not so many have transferred to other industries. Whatever the C.I.O. says, gold mining has been one of the highest paid of Canadian industries and the incentive to shift to some other industry to secure higher wages has so far not proved great. Cost of living may be higher in some sections of northern Canada but if price-fixing works, cost of living in northern areas is not likely to change.

Unless some new factor enters the situation, the labor supply problem for gold mines conceivably may not be as difficult as for some other industries. If exceptionally high wages are not being paid in munitions industries the incentive for the gold miner to shift to a new job cannot be so great.

Possibility Foreseen

Mines have been looking ahead to the possibility of a labor shortage and certain steps have been taken to cope with it. Shaft sinking has been carried ahead of requirements, stope development has often been done far in advance of requirements and there has been an emphasis on labor-saving mechanized equipment. If a gradual shortage of labor does come, the large majority of the mines will probably be able to get along for some time without operations being seriously affected. In certain areas there has already been some shortage of skilled mining labor, but the effects on output of green labor have not been great.

Effects Summarized

To summarize, fixing of prices and wage rates would appear satisfactory to the gold mines. Overnight the industry has been changed from one which appears to face an increasingly smaller margin of operating profit to one with a good prospect of keeping a fairly stabilized margin of working profit. Write-offs, exclusive of taxes, are not expected to show any great change and will continue to be a factor toward keeping the net profit of the average gold mine stabilized. No one can venture to predict what the future course of taxation will be. That depends on the cost of the war and the eventual size of Canada's ever-growing war effort.

Base Metals Important

Many of the things that have been said about gold mines hold equally for Canada's base metal mines. It is becoming increasingly clear, however, that base metal mining in some respects is even more important than gold mining. Base metal bullets are perhaps just a little more important than golden bullets with the United States now in the war for all practical purposes. Labor might even be drafted to keep base metal mines in operation if this were necessary.

Most of Canada's output of copper, zinc and lead is being marketed in the United Kingdom under contracts which call for fixed prices with an escape clause for increased operating costs. If costs are to be stabilized with Canada's new price and wage policy, adjustments of payments will no longer be necessary under United Kingdom contracts. The cost of metal to the United Kingdom may accordingly be on a somewhat lower future scale, improving Great Britain's ability to fight the war. In practice Canada has been financing a large part of United Kingdom purchases in this country. If operating costs of the base metal mines do not continue to increase therefore, Canada won't have to pay out an increased amount of Canadian dollars on the United Kingdom's behalf as might have proved the case.

Domestic Outlook Improved

In the domestic market, the position of the base metal producers appears unchanged to slightly improved. The market in base metals has not been free and the mines have faced gradually increasing operating costs. Now costs have been frozen along with selling prices.

From the viewpoint of exporting into the United States market, the position of the base metal mines has been definitely improved recently. Costs are fixed at the present level but on the selling side there has been a tendency to pay more for metal by the United States to secure a greater output. For instance, the domestic price of zinc in the United States has been increased to 8¼ cents U.S. or 9.08 cents Canadian a pound compared with a basic price of around 3 cents a pound Canadian received under the United Kingdom contracts.

The same situation as regards zinc is also true to a lesser extent of copper and lead. A considerable spread exists between United Kingdom fixed and current United States prices. With fixed costs, there will undoubtedly be much more incentive for Canadian base metal producers to expand output wherever possible to take advantage of the United States market. The United States wants more metal from Canada and the nickel producers are already expanding their output to give it. Fixed supply prices and wage rates may help the Dominion government secure an expansion of base metal output without as great a recourse to special tax adjustments.

In the United States an A-1 priority has been given on steel for emergency mine repairs and there is little doubt but what repair equipment for Canadian mines will be regarded in the same light.

Greater Incentive Now

Summing up the situation, base metal mines are in an improved position to continue their operations uninterrupted with a perhaps slightly higher overall operating profit than expected before. United Kingdom contracts and heavy taxation will continue to mean only moderate profits for the duration of the war but the fixing of costs by freezing of prices and wage rates means a greater incentive to carry on the development of new base metal enterprises, an essential step if our base metal production is to be continuously expanded.

Base metal mines stand to gain less from the fixing of prices and wage rates than gold mines but that is only because they had less to lose from rising costs.

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Mining Concentrates

Cournor Mining Co. intersected several veins and vein structures in four diamond drill holes put down from surface in September. The amount of diamond drilling was not sufficient to outline any ore but indications obtained show the ore zone extends at least a further 300 ft. west. Diamond drilling in the Cournor mine secured an intersection of 5.2 ft. of good grade ore west of any previously known in the Creek ore area. Development in the Cournor mine at present is being confined entirely to the Creek ore zone. Production in September was $51,666 from 6,404 tons of ore, an average recovery of $8.07 per ton.

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Granby Consolidated has declared a dividend of 15 cents a share, U. S. funds, subject to approval of the Foreign Exchange Control Board, payable Dec. 1, 1941, to shareholders of record Nov. 14. Operating profit for three months ended Sept. 30, 1941, totalled $227,220 after deducting interest and reserves for income and all other taxes. After deducting from operating profit the usual reserves for depletion and depreciation, net income for the quarter was $153,019. Debentures outstanding at Sept. 30, 1941, were $274,700. Shipping ore reserves at the same date were 17,094,901 tons averaging 1.32% copper.

• • •

Gillies - Lake - Porcupine Gold Mines exploration was continued by Hollinger Consolidated in September but no commercial ore values were located. A total of 1,161 ft. of drilling was done with No. 5 surface drill hole completed to 1,568 ft. or approximately 250 ft. below the first surface hole drilled. The hole passed through a wide tongue of porphyry but no mineralization or quartz veining was intersected and no values were obtained.

• • •

Little Long Lac Gold Mines plans to pay a dividend of 10 cents a share before the end of the present year, according to a letter sent to shareholders by Joseph Errington, president. With completion of development the company hopes to be able from then on to pay dividends of at least 25 cents per share annually, despite an increase in taxes of 10 cents a share since 1938. Consideration has been given to increasing mill capacity in view of the general request of the Dominion government and the burden of increased taxes, but the present rate of approximately 300 tons per day is still regarded as the most economic rate of production.

• • •

Moneta Porcupine Mines had an estimated net profit of $111,024 equal to 4.4 cents a share in the three months ended Sept. 30, 1941, compared with $136,566 or 5.4 cents a share in the immediately preceding three months. Production the September quarter was $306,391 from 15,454 tons of ore for an average recovery of $19,82 per ton compared with recovery of $308,768 from 16,039 tons the immediately preceding three months with an average recovery of $19.25 per ton.

• • •

Northern Empire Mines Co. suspended milling operations on Sept. 1. At the end of 1940, it was stated that ore resources were being rapidly depleted and a suspension of milling operations was expected if no new ore was found.

• • •

Sladen Malartic Gold Mines showed an increase in working capital to $205,212 at Sept. 30, 1941, from $161,240 reported three months previously. Bullion production was up about $9,000 to $211,940 from 64,506 tons of ore in the three months ended Sept. 30, 1941, and operating profit also showed an increase to $47,309 from $33,702. The ore position of the mine will have been maintained in the present year by development of two blocks of ore aggregating 240,000 tons of an estimated grade of $4.50 per ton with gold at $35 an ounce, according to the company's latest progress report. Besides this, diamond drilling of the Telluride zone below the 950-ft. level indicates an ore body some 700 ft. in length of an estimated grade of $5.00 per ton with gold at $35 per ounce.

• • •

Stadacona Rouyn Mines liquidator, George Duclos, advises shareholders to send in share certificates to his office in Montreal in accordance with a court order. It is pointed out several different stock issues have been in circulation as well as many street certificates. It is necessary for stockholders to send in their certificates in order that the total number of shares outstanding may be properly established, preparatory to working out a plan of reorganization. Court hearings to consider validity of over-issued notes are scheduled to start Nov. 12.

Mining Enquiries

Pend Oreille

I hold some shares in an American base metal mining operation, Pend Oreille Mines & Metals. Please give me any details available on present earnings and prospects.

—

Earnings of Pend Oreille Mines & Metals Co. were 4.4 cents a share in the fiscal year ended Apr. 30, 1941, or the highest in the company's history. Metal prices in the United States, where the company is operating, have been consistently high since the end of the company's last fiscal year and it appears that earnings may have been considerably higher recently.

As the company does not issue interim earnings statements, however, it is impossible to speak with any absolute certainty on the subject of current earnings.

With all mortgage indebtedness wiped out last year, the company paid an initial dividend of 6 cents per share on July 28, 1941. If no major programme of expansion is carried out, it appears likely that most of further earnings can be paid out in dividends.

Sherritt Gordon

Has production of copper been increased by Sherritt Gordon Mines or have you this information available just now? Market action of the stock suggests that things have taken a turn for the better. What are the facts as you see them?

—

While Sherritt Gordon Mines does not release metal production figures during wartime, it is known that the tonnage of ore milled has been increased substantially with an average of 1,984 tons of ore treated in the second quarter of 1941, compared with an average of 1,757 tons in the corresponding period of 1940. As a result, operating profits have been increased to approximately $250,000 quarterly compared with a previous rate of close to $200,000. The profit stated is after taxes but before write-offs in each case. Dividends are being paid at the rate of 10 cents a share per annum in interim payments of 5 cents each which calls for $587,443 a year which the company can readily meet out of operating earnings.

Fixed prices are being received for most of the company's copper production and the company is not at present producing zinc. Some time ago an investigation was made into zinc but the possibilities of profitable production of this metal did not seem great after allowing for transportation costs to the United States, the American tariff on zinc, losses in recovery, etc. However, the price of zinc in the United States has been boosted appreciably in recent weeks, reopening the whole zinc question.

Sherritt's ore reserves are sufficient for approximately eight years' milling requirements at the present rate. Working capital has probably been increased to $2 millions by now—without including supplies—or close to 35 cents a share.

Central Patricia Gold Mines showed a decline in production in the September quarter:

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
Sept. 30, '41	35,920	390	$11.78	$423,047
June 30, '41	35,053	385	14.06	492,754

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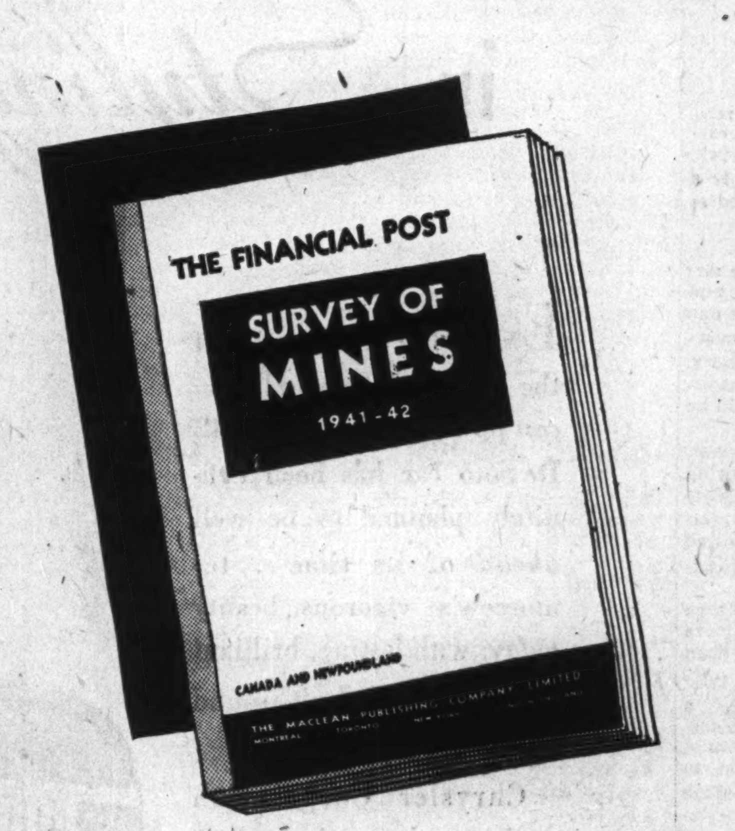
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A New $100 Millions Industry

Plane Overhaul Swelling Into Giant Enterprise

By RONALD A. KEITH
Editor, Canadian Aviation

A new multi-million-dollar Canadian industry is now being developed.

The big business of repairing, overhauling and maintaining in operation the aircraft and engines for the Air Training Plan is being organized as a companion industry to aircraft manufacturing and promises to rival it in size and importance.

By the end of this year, the overhaul business will be handling orders at the rate of $50 millions a year. At the end of 1942, this rate will have been stepped up to $100 millions a year.

Some idea of the relative size of this industry is the fact that total value of all automobiles sold in Canada in 1939 was $107 millions; that it will be about twice Canada's total annual gold production.

No one has ventured to estimate the number of men and women eventually to be employed in aircraft overhaul, but a rough guess would be 50,000 on the job at the end of next year.

The overhaul programme was described as one of the four main phases of the plane production plan by Ralph Bell, director general of Aircraft Production, in a recent analysis. The production schedule was broken down as follows:

1. Planes for the Air Training Plan.
2. Planes for the defense of Canada.
3. Overhaul and maintenance of planes in categories 1 and 2.
4. Planes for Britain and Allies.

These were not named in order of precedence, each phase being equally essential, Mr. Bell explained.

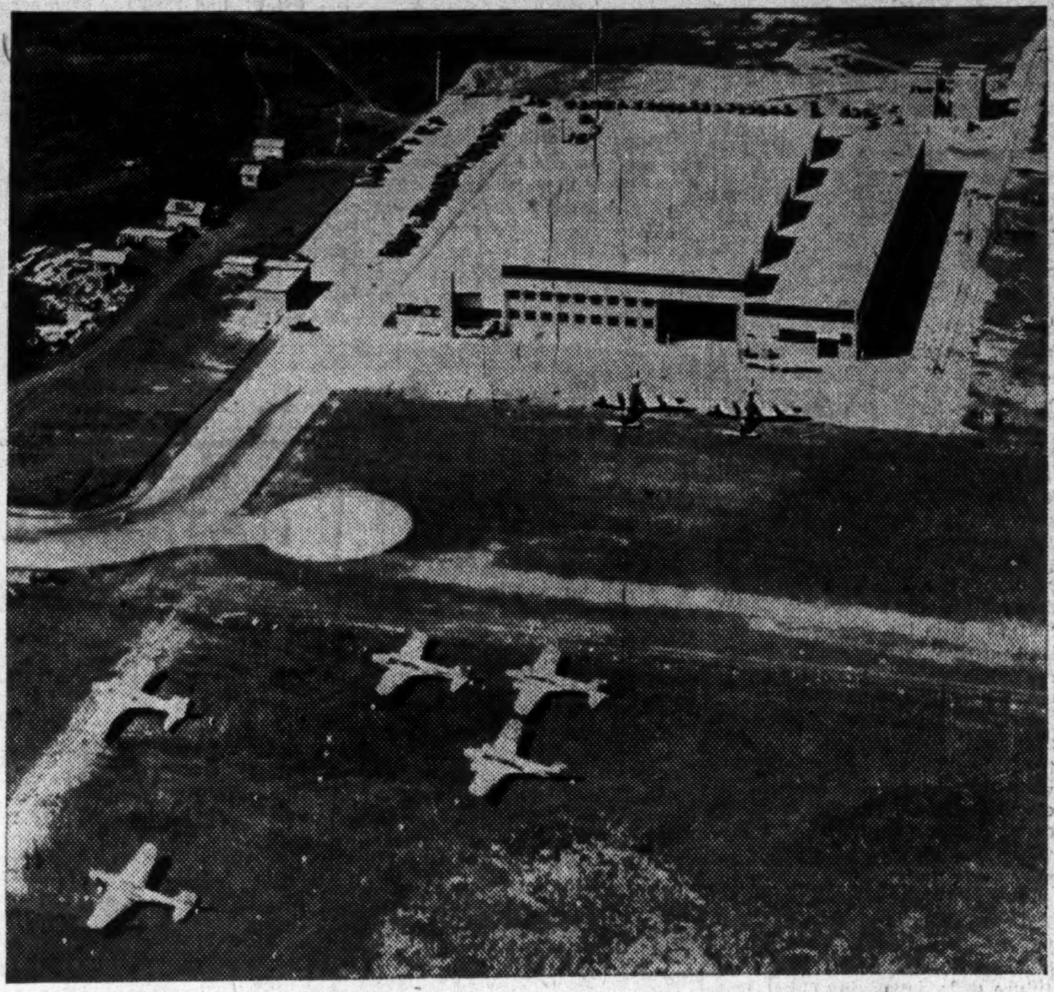
The size and significance of this No. 3 Plan may be deduced from the estimate that by the close of 1942 there will be 10,000 aircraft in use in Canada for air crew training. These will be of a considerable variety of types and horsepower ranges, each requiring specialized attention.

In addition to their regular maintenance in the field, involving periodic inspections and running repairs, the aircraft and the engines used in training must be completely overhauled after a specified number of hours in the air.

Complete Dismantling

Each type of aircraft engine, for example, is rated for so many hours of operation between major overhauls. In most cases this ranges between 400 and 700 hours, depending on the type.

Engine overhaul involves a complete dismantling into the smallest possible bits and pieces, minute examination of every moving part and every visible surface, replacement of parts which do not measure up to exacting tests, reassembly of the engine, and testing.

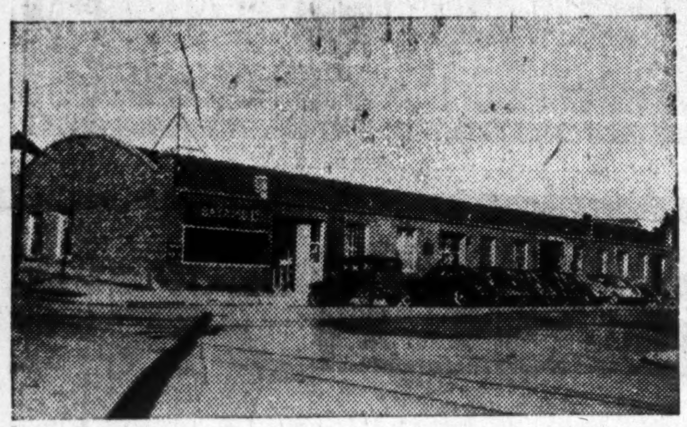


Aircraft Repairs Ltd. had grown from a modest overhaul plant to the modern and efficient outfit shown above. In this it is typical of what has happened to this industry, generally. The new overhaul plant handles assembly of Fairey Battles and Avro Ansons from England.

Aircraft overhaul in the case of fabric-covered planes such as the Fleet and Tiger Moth calls for removal of the fabric, inspection and testing of all parts of the airframe, re-covering, and test flying.

In addition to periodic overhaul of engines and airframes, a major portion of the new industry's job will be the rebuilding of damaged planes.

In a high-tempo training programme, aircraft casualties, minor and major, run high. In many cases the planes come in with only a damaged wing tip, in others, the remnants of a training aircraft are carted to the repair depot on a truck. In the latter case, probably only a few small parts may be salvaged as spares.



Above is shown the original plant of Aircraft Repairs, prior to the sudden expansion after outbreak of war.

Parts Big Problem

The supply of spare parts for aircraft and engines exists today and will remain for a long time as one of the biggest problems of the overhaul industry. Where necessary, the Canadian industry will manufacture parts, otherwise they will be supplied by the manufacturer.

The spares shortage is not always caused by inadequate manufacturing facilities alone, however. An intimate knowledge of the various aircraft and their characteristics is required in order to order spares wisely in advance.

For example: When a certain type of trainer ground loops, it is more likely to damage the left wing than the right in the approximate ratio of seven to one. Accordingly, a knowledge of the flying characteristics of the aircraft alone would dictate the necessary decision to order seven times as many spare right wings as left wings.

The repair and overhaul industry is supervised by the Aircraft Production Branch of the Department of Munitions and Supply. It works in harmony with the R. C. A. F. which keeps track of all aircraft at all times and attends to the running maintenance and repair of planes and engines.

In the R.C.A.F. headquarters at Ottawa there are large Distribution Boards constituting a visible card record system covering every plane and engine in the service.

This record system gives at a glance the location by Commands and Units of each aircraft and engine according to their make and registration number. As an aircraft or engine is moved, its representative card is moved on the Distribution Board. By means of coloring, it is possible to indicate readily the condition of an aircraft or engine, i.e., whether it is serviceable or unserviceable, in transit, or at a major overhaul depot.

Not all the major overhaul work is handled by civilian companies. One of the largest engine overhaul operations in the country, No. 6 Aircraft Repair Depot of the R.C.A.F. is completely a service organization. Its biggest responsibility is the complete overhaul of Rolls-Royce Merlin aircraft engines.

But for such exceptions, however, when the Distribution Board shows an airframe or engine unserviceable, the next move is to one of the many civilian overhaul plants which are stationed from coast to coast.

The overhaul programme is supervised directly by A. K. Tylee, Director of Overhaul, working under the director general of aircraft production. A. G. Sims is chief technician for engine overhaul, while T. W. Siers (the McKee Trophy winner), is chief technician for airframe overhaul. T. E. Howard is in charge of records at Ottawa.

This headquarters organization maintains direct contact with the various overhaul plants, but it is supported by progress officers in each district and by parts and bits chasers.

Some of the contractors on overhaul are manufacturers, but their overhaul work is separate from their manufacturing contracts. Logically, the manufacturer of the Norseman does the overhauls and repairs on that type. He has the facilities for turning out spare parts and for remaking the plane when necessary.

Similarly, Canadian Pratt & Whitney Aircraft Co. at Montreal has a contract for overhaul of Pratt & Whitney engines.

On the west coast, Canadian Wright Ltd. and British Aeroplane Engines have built a plant to handle overhaul jobs in that area. There are several other new plants being devoted exclusively to overhaul across the country.

The natural objective in all these cases is to localize the work, thus eliminating unnecessary movement of aircraft about the country.

In order to obtain all available skill in Canada for the new industry, the resources of almost every company with experience in operating aircraft have been utilized.

Prairie Airways, operating a passenger and mail run linking with T.C.A. at Regina and serving northern Saskatchewan, has installed an aircraft repair depot in one of its main hangars and is equipped for welding, woodworking and aircraft assembly.

Mid-West Aircraft, a subsidiary of Wings Ltd., well-known bush flying company, has expanded its pre-war overhaul shop to handle R.C.A.F. planes.

One of the most enterprising projects of this nature has been the expansion of Aircraft Repairs Ltd. in Edmonton. When the war broke out, this company was operating in a small garage to look after the maintenance requirements of two flying companies, Mackenzie Air Service and Yukon Southern Air Transport.

Now the original operation has been succeeded by a new $450,000 factory for the assembly, repair and overhaul of training planes. This plant will be employing at least 500 people. Key employees are mechanics trained in northern bush flying.

Aircraft Repairs, which is typical of the expansion in progress and in prospect, is headed by W. Leigh Brintnell, with Harry Hayter, former northern pilot, as general manager, and John J. Bowen, former air engineer with Mackenzie Air Service, as superintendent.

In each area, the work of the contracting companies is inspected and supervised by R.C.A.F. technical detachments.

Refrigerator Sale Down in Canada

From Our Own Correspondent

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